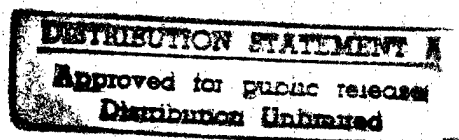


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31 August 1983

NEAR EAST/SOUTH ASIA REPORT

No. 2813

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ASALA SAID TO BE TOOL OF FOREIGN POWERS

'Fallen Into Arms of USSR'

Paris LE MONDE in French 20 July 83 p 9

[Text] Henri Papazian, spokesman for the Armenian Socialist Party (MCPSA-Dashnag), and Ara Krikorian, a representative of the CDCA (Committee to Defend the Armenian Cause), condemned "severely and unequivocally" the attack at Orly Airport, responsibility for which is claimed by ASALA [Armenian Secret Army for the Liberation of Armenia], during a press conference organized in Paris on Monday 18 July. "This is a senseless act," they declared. "which can under no circumstances invoke the Armenian cause."

According to Papazian, if France is selected as the site for ASALA attacks, this can be interpreted either as the failure of the French government's negotiations with ASALA in order to reach a modus vevendi, or as a sign "of a new ASALA strategy, falling within a general policy of destabilization." He believes that ASALA has "obviously fallen into the arms of the USSR" and that "its potential chief is today installed in Syria."

Papazian also indicated that, "according to information in his possession," Hagop Hagopian, presumed leader of ASALA, had not died in Beirut last July, contrary to what ASALA had announced, but that he was now living under the name of Mihran Mihranian.

He also insisted that the Dashnag movement "maintained no ties" with clandestine movements such as the "Justice Commandos for the Armenian Genocide," the author of numerous attacks, but he nonetheless acknowledged "a motive and consistency in these violent actions, which are directed exclusively against the representatives of the Turkish state."

The solution to the Armenian problem lies, according to Krikorian, in the recognition by Turkey of the autonomy of the minorities which make up the country and, "in the long run, recognition of their independence." He also pointed out that "the Armenian question ought to be discussed in the French and international press, so as not to give the impression that only crime makes news."

'Aligned With Palestinian Movements'

Paris LE MONDE in French 20 Jul 83 p 9

[Text] In an interview published in March by AL WATAN AL ARABI, an Arab weekly appearing in Paris, Mihran Mihranian, a member of the Central Committee of ASALA (Armenian Secret Army for the Liberation of Armenia), states that the Armenian people enjoy "complete freedom in the USSR, like any Soviet citizen, and especially in the exercise of their rites and traditions. The Armenians speak their own language and have their own radio station."

Questioned in an ASALA training camp situated in the Bekaa, a part of Lebanon under Syrian control, Mihran Mihranian added: "The United States is said to be prepared to supply us with military and financial support, provided that our operations include the socialist bloc countries and encourage the establishment of independent trade unions such as Solidarity in Poland. We have turned down these tempting offers because we are revolutionaries and we cannot forget the Arab people's material and moral support for the Armenians. The armed struggle is the only means for achieving the objectives of our just and forgotten cause," he asserted, adding that his organization had "formed alliances with national liberation movements in the Near East."

Reaction of Armenians in Greece

Paris LE MONDE in French 20 Jul 83 p 9

[Text] It is well known that ASALA has a habit of claiming responsibility for attacks by means of a telephone call to the French Press agency in Athens. In that city there is a large and extremely active Armenian community of approximately 10,000 members. The Armenians in Greece publish a newspaper, AZAD OR (Free Day); they have established numerous organizations and opened several American-language schools.

The very official socialist party, Dashnag, which brings together a majority of the sympathizers and which is in favor with the Greek government, approves of attacks against Turkish targets, Turkish property or dignitaries in the Ankara government. But Dashnag firmly disapproved of the Orly attack. Nevertheless, the existence of this dynamic community and the specificity of the Greco-Turkish background permit clandestine movements a certain freedom of action. The militants for the Armenian enjoy, if not the support, at least the partiality of the Greek officials from parties of both the Left and the Right. As a result, it has been possible to see posters favoring ASALA on the walls in Athens. After an unsuccessful attack in December 1982 against the offices of Kuwait Airways which had resulted in the arrest of two members of ASALA, a very official support committee, the Armenian People's Revolutionary Movement, had been formed and is still in existence. It had held a press conference to ask for the release of the terrorists. The Turkish government had demanded their extradition, which the Greeks had refused.

ARMENIAN AFFAIRS

BRIEFS

ARMENIANS HOLD RELIGIOUS CEREMONIES--Urumieh, July 18 (IRNA)--Thousands of Christian compatriots held a grand ceremony to commemorate one of the apostles of Jesus Christ (A.S.), known as St. Thaddeus, believed to be buried in the village of Qareh Kelisa, near the town of Maku in West Azarbaijan Province. The Christians gathered in tents on Friday night and in the morning they sang a number of Christian songs, which were later followed by a speech delivered by Archbishop Ardak Manukian. The Iranian leader of Armenian Christians said in his speech that the St. Thaddeus Church in the village was one of the shrines visited by Christians from various parts of the world. He thanked the government of the Islamic Republic for repairing and restoring the church. He said the Christian community in Iran took part in all struggles with their Muslim brothers and sisters and they had hoped that the matters involving Armenian schools in the country would be resolved. Manukian also referred to the martyrs of the Christian community in the Islamic Revolution and the Iraqi imposed war and prayed for the long life of Imam Khomeini and victory of the Iranian forces in the battlefronts. The special ceremonies ended on Sunday. [Text] [Tehran KAYHAN INTERNATIONAL in English 19 Jul 83 p 2]

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REVIEW OF FOREIGN, DOMESTIC POLICIES, DEVELOPMENTS

London AL-HAWADITH in Arabic No 1393, 15 Jul 83 and No 1394, 23 Jul 83

[Article by Salah al-Sa'id: "Silent Crisis in Relations With Tunisia and Three Issues Troubling Climate With Libya; Opening Up to Popular Tourism and Restoring Balance to Development Experiment; Young People Introduced Into Agricultural Sector and Agricultural Workers Imported From Morocco"]

[No 1393, 15 Jul 83 pp 26, 27]

[Text] The personalities of the two Algerian envoys to mediate in the inter-Palestinian-Syrian dispute reflect the most important characteristics of Algerian diplomacy in this phase, which can be described as involved, open and dynamic. Abdelhamid Mehri is one of the most important Algerian negotiators historically and he is well known for his culture, skill and strong argument. Abdelkader Benkaci, the other envoy, represents the younger generation in Algerian diplomacy. He is a highly dynamic man of dossiers and lobbies. During his stay in Damascus as his country's ambassador, Benkaci was able to revitalize Algerian-Syrian relations and to prevent their deterioration more than once and for more than one reason.

Despite the continuity that President Chadli has been eager to maintain insofar as content is concerned, Algerian diplomacy has undergone important developments in methods and even in tendencies. Even though this diplomacy's most important accomplishments pertain to the situation in the Arab Maghreb, it has been active on broader fronts. It has not despaired of the aborted mediation attempts to end the Iraq-Iran war and it has not hesitated to offer to mediate in Fatah's crisis.

We will try in this report to review the most important trends in the Algerian diplomacy. The presidential advisers and a number of party officials play a major role in directing this diplomacy.

A person coming to Algeria is surprised to find that the urgent issue at present is not that of the Western Sahara or of the mediations but the issue of relations with neighboring Tunisia. Algerian-Tunisian relations are undergoing a silent crisis that weighs so heavily on the atmosphere

of the relationship between the two countries that it has almost totally halted implementation of the cooperation agreements concluded by Presidents Bendjedid and Bourguiba within the framework of the cooperation and friendship treaty.

This report may surprise many, and they have a right to be surprised because long strides in coordination were made within the joint committees and because the two countries were able to formulate a common and harmonious political language in the two communiques issued on the Algerian president's visit to Tunisia and the Tunisian president's visit to Algeria.

An Algerian official who accompanied President Bendjedid to Addis Ababa has said: "We cannot explain the Tunisian position. At the same time, we cannot but express our surprise and regret at this unjustifiable position, which we hope is taken by Tunisia's minister of foreign affairs alone."

But how? And can Beji Caid Essebsi act on personal initiative?

I don't know, answers the Algerian official, adding: "Tunisia had within the framework of the joint communique, taken a neutral position vis-a-vis the Sahara issue and had even undertaken to bring closer the views between POLISARIO and Morocco. It had also undertaken to exert ceaseless efforts to convene the Organization of African Unity [OAU] conference in Addis Ababa. But during the closed session of the delegation heads in Addis Ababa, we were surprised to see Tunisia's minister of foreign affairs enter the hall (according to journalists' reports) and then depart immediately upon seeing Mohamed Abdelaziz. He did not leave to go back to his suite but stayed in front of the hall to persuade other African officials not to enter, thus causing the session to lack a quorum. This stance could have torpedoed the OAU."

The Algerian official added: "I will not hide from you the fact that the Algerian leadership strongly resented the attitude of the Tunisian minister of foreign affairs who did not even ask to meet with President Chadli Bendjedid throughout his stay in Addis Ababa. This is not just a matter of a difference of opinion and viewpoint, considering that the Moroccan minister of foreign affairs did meet with President Chadli. Moreover, the brother Moroccans themselves resented Beji Caid Essebsi's attitude, which hurt Algeria and did not please Morocco, as a member of the Moroccan delegation has told us."

Algerians are also talking about the poor treatment given to some Algerians at the border by Tunisian authorities--treatment that does not reflect the spirit of the treaty and prevents a real opening of the borders between the two countries.

So what now and what is the future of Tunisian-Algerian cooperation, of the agreements concluded and of the hopes attached to them by the two peoples? Everything depends on the desire and the goodwill of the other side, says another official, adding: "In any case, this cooperation is

beneficial to us. But it is more beneficial to the others. Algeria represents an enormous consumer market with a high purchasing power and it can absorb and market the neighbors' surplus production of all kinds. President Chadli Bendjedid has laid down the bases of this relationship and it is up to the others to prove that they want to carry on with and develop this relationship."

Despite the official silence on this acute, but muted crisis, its reverberations are heard in ordinary Algerian circles, some of which go as far as saying that President Chadli was the one who refused to receive Beji Caid Essebsi and that the Tunisian Government turned against the treaty even before its ink had dried. Others go even further to say that the dismissal of Tahar Belkhodja, the former Tunisian minister of information, had something to do with the issue, considering that Belkhodja is well known for his friendship with Algeria.

It is obvious that these comments are somewhat tainted by the popular political imagination. On the other hand, they raise questions about the reason, or reasons, for the Tunisian position. Tunisia cannot claim that Algeria has worked or wants to work to organize Tunisian elements supporting it. The National Liberation Front Party is a regional Algerian party with no ambitions to expand at the Maghreb or Arab level. Algeria's relationship with Morocco has improved considerably since the Algerian president's visit to Tunisia and his conclusion of the treaty and there is nothing in Algeria's position and role, whether in connection with the Palestinian dispute or with the Chadian war, to provoke the sensitivity of the Tunisian leadership. The two most important pending issues, namely, the border issue and the issue of the Algerian gas pipeline passing through Tunisian territories to Italy--a pipeline that Presidents Bendjedid and Bourguiba inaugurated together--have been settled. The Algerian Government and people accorded the great struggler [Bourguiba] a warm reception, which was praised by all and which exceeded the receptions Algeria has given tens of heads of state who visited it over the past 10 years.

All these factors make anybody seeking an explanation for the Tunisian position look to the internal situation. It is no coincidence that this--sudden and surprising--position has accompanied the growing influence of Prime Minister Mohamed Mzali. It is also no secret that Algeria's relationship with Mohamed Mzali has been lukewarm. Moreover, before the sudden development resulting from President Bendjedid's visit to Tunisia, everybody knew that Mohamed Mzali had almost no role in this development and that the fundamental role was played by Driss Guiga, the minister of interior, with the help of Tahar Belkhodja and the support of al-Majidah Wasilah [Mrs Bourguiba], who had received an official invitation to visit Algeria before President Bendjedid's visit. This invitation was understood to signify a direct stand toward Mohamed Mzali.

But what is Mzali's interest in undermining the relationship with Algeria, especially at a time when the [Tunisian] economic situation seems to be in the direst need for such an opening? Indeed, overcoming the crisis

may not be achieved without this opening up, and perhaps without a similar opening toward Libya. Moreover, what are the true motives behind Caid Essebsi's behavior in Addis Ababa, keeping in mind that there are no private differences between him and Algeria? More important than all this, how was he, or they, able to justify this behavior to President Bourguiba, who seems to be extremely concerned with developing the relationship with Algeria within the framework projected by President Chadli Bendjedid? With such development, the great struggler could show that his previous positions toward the unity offers made to Tunisia did not emanate from hostility to unity as much as they emanated from sound judgment and caution.

In Algeria, observers expect the Tunisian Government to present its viewpoint explaining its positions shortly and before it is too late, especially since Algerian tourists have begun to find in Spain a convenient, and at times cheaper, alternative to Tunisia. An Algerian official has said: We can find all that we get from Tunisia somewhere else. But the opposite is not true. Even though the relationship between brothers cannot be measured at this level of mutual interests, the matter may require an initiative from a third party. It is not unlikely that Morocco will undertake such commendable efforts, despite the embarrassment such efforts may cause Tunisia.

The diplomatic thermometer shows a drop not only in the relationship with Tunisia but also a drop, by a different degree and of a different kind, in the relationship with the Jamahiriya which, to start with, is a more complex and intricate relationship than the one with Tunisia.

During the Algerian-Moroccan meeting and in the wake of President Chadli's visit to Tunisia, we interviewed a Libyan official. We thought that we would hear harsh criticism of the Algerian position but were surprised by a moderate and friendly tone based on the fact that Algeria had put the Jamahiriya in the picture and made it clear to it that Algeria would not permit isolation of the Jamahiriya or the establishment of an axis against it. The Libyan official added: We understand Algeria's new position vis-a-vis Morocco, even though we do not much believe that it is actually beneficial. Two weeks ago, I met the same Libyan official who said with a sigh: Regrettably, whenever the relationship with Algeria improves, there is somebody to throw a stone into the well to muddy this relationship. The Libyan official added nothing beyond these diplomatic words.

It was natural for us to seek explanations to these words in Algeria and the Algerians have not been hesitant on this issue. To them, the problem lies more in the quickening pace of Libyan diplomacy than in its tendencies. They cite two issues as examples, namely: The African summit and the war in Chad.

Insofar as the Addis Ababa conference is concerned, an Algerian official has said: "We spared no effort to notify our brothers in Tripoli in advance. At the Addis Ababa summit, President Chadli stood to express

his reservation on the failure to give Col al-Qadhdhafi the conference and the organization chairmanship, considering this failure a deviation from the traditions and spirit of the organization. But we were surprised by the Jamahiriyah's withdrawal and by the colonel's trip to San'a', Saudi Arabia and Amman. We only learned this from the press at a time when the situation concerning the Sahara issue was at a very critical point and when the vote of the absent Libya, had matters moved differently, could have tipped the scales in one direction rather than the other. The brother colonel could have talked to us and discussed the matter with us. Had we found the withdrawal necessary, we would have withdrawn with him."

As for the war in Chad, the Algerians say: "We have no relations whatsoever with Hissein Habre and we bear him no love or respect whereas we are tied by numerous relations to Weddeye Goukouni who lived in Algeria and whom we helped. But we cannot go along with the Libyan brothers by saying that Weddeye Goukouni's government is the legitimate government. To us, the actual government is the one existing in the capital, regardless of which government it is." These statements are similar in form to the French viewpoint. However, they constitute the nucleus of an African position of a new kind--a position that is based not so much on support of one party against the other as much as it is based on a call for dialogue among all of the Chadian parties. The Algerians are convinced that a military decision in Chad is impossible.

The conflict within Fatah has come to intensify the discord in the positions of Algiers and Tripoli. Whereas the Jamahiriyah has embraced the rebellion and launched a campaign against Abu 'Ammar, Algeria waited several days before announcing its support for the legitimate leadership under Abu 'Ammar. Algeria's deliberateness was perhaps due to the mediation it has carried out and it is still carrying out between Syria and the PLO leadership. According to some Algerian officials, the Algerian position vis-a-vis the ongoing conflict is based not so much on calculations of the private political interests as it is based on lessons learned from the Algerian experience--lessons essentially to the effect that the PLO's independence is necessary. However, these officials do not conceal their criticism of some of the Palestinian leadership's actions, which transform this leadership's political activities into carnivals. One of these officials has said: The Liberation Front held numerous conferences that nobody heard of. The results that a conference produces are more important than the holding of the conference itself.

Algerian circles have made no comment on Col al-Qadhdhafi's visit to Morocco but have asserted that they had no advance knowledge of the visit. They have also asserted that they fear no change in the Libyan position on the Sahara because the colonel, in their opinion, believes in the Sahara issue and it is difficult for him to abandon his belief.

There remains Morocco and one is surprised to find that the tone the Algerians use toward Morocco is a cordial one. Their talk is about the trust that has begun to develop, about the time needed, about the

existing goodwill and about Morocco's stand at the Addis Ababa conference--a stand that the Algerians view positively--even though they could have, as one Algerian has said, refuted this stand, especially Boucetta's statement about the contradiction between the presence of the Sahara Government and the principle of referendum, citing as an example the negotiations that took place between the French Government and the Provisional Algerian Government. But the Algerians quickly add: We did not want to start an argument with Morocco on this issue in Addis Ababa and we understand the Moroccan position.

It can thus be said that the era of fixed positions [al-thawabit] in the Arab Maghreb's diplomacy has ended and that the era of dynamic, rapid and, at times, conflicting changes--changes that are difficult for the observer to follow with the same tempo as in the past--has begun.

[No 1394, 23 Jul 83 pp 23, 24]

[Text] Whenever I visit Algeria, friends at the airport meet me with a broad smile, saying: "Don't be afraid. Nothing has changed in Algeria and it is as you left it last time and as you left it every time in recent years. Those you know are the same. You leave them for years and come back to see them and it is as if you have never left."

These words are a mixture of boasting and confidence and of complaint at the same time. Algeria continues [to be the same], said one of them, and it has not yet changed as "you journalists expect." It is stagnant and it needs some rejuvenation.

Visiting Algiers in the month of Ramadan has a special flavor. Life is secure, the city stays awake and people smile despite the heat, the fasting and the hectic pace of life in the capital. The month of Ramadan is also a yardstick of the economic life, beginning with prices and ending with the availability of goods and purchasing power.

This time I felt new and refreshing winds blowing and stirring the hot Algerian summer--winds pertaining more to the quality of life than to certain political slogans. Algiers in its entirety stays awake singing, clapping and dancing until dawn, not only in Ramadan but throughout the summer months, within the framework of a new experiment for a comprehensive plan to open up culturally--a plan that excludes almost no country and no art form, including the circus, music and dancing, dance shows, classical, jazz and popular music, beginning with Spanish, Hungarian, Yugoslav and French troupes and ending with exciting Philippine troupes, with Wadi' al-Safi, Ahmad 'Adawiyah, Mayyadah and Fatin al-Hinnawi and ending with singers from Jordan, Syria, Sudan, Tunisia and Morocco. By the way, Wadi' al-Safi [Lebanese singer] has been received so well and with such a response that his popularity has stunned the organizers and perhaps al-Safi himself. The popularity he has gained is enjoyed only by Fayruz, 'Abd al-Halim Hafiz and Wardah al-Jaza'iriyah, in addition to the deluge of American and Egyptian television series with which the TV abounds.

An Algerian official has said: It is true that the Algerian personality is very serious, and at times stern and violent, but this is due to colonialist and then revolutionary social conditions that compelled it to develop this character. But these qualities are not intrinsic and the time has come to develop the horizons of this personality and to restore it to the joyous climate for which it was known in the past.

Those who know Algiers are surprised by daily newspaper advertisements announcing shows and entertainment programs. One advertisement even reads: "Where do you want to spend the evening? All you have to do is dial number..." Another advertisement is for organized 1-week tours to Britain, including travel, hotel, main meals and some recreation and cultural activities. This, of course, is totally new to the Algerian citizen. A reader who knows Algeria understands the importance and significance of this.

The Algerian used to say jokingly: Algerian currency is the most expensive in the world. With 300 Algerian dinars, the equivalent of 330 French francs at the time, the Algerian goes to Europe, visits several countries there, spends a long and enjoyable summer vacation and returns with suitcases filled with all kinds of consumer goods known to the West. The costs of such a trip were, of course, shouldered by relatives and friends working in France or Belgium or by exchanging currency in the black market at unreasonable prices. The Algerian Government last year raised the sum allowed to be exchanged to 1,500 dinars, and even more for the higher cadres, provided that this is done once a year, and the citizen retained his right to exchange this sum the following year if he wished to do so.

With this measure, the government sought not only to fight the black market that destroys the Algerian dinar but also to fight two other maladies that are no less serious:

1. Improve the reputation of Algerians abroad, especially in the wake of the intensifying racial wave in Europe.
2. Fight the corruption that this [black marketeering] causes in the administrative apparatus because the need for hard currency often compels higher administrative officials and national cadres to resort to the black market, at times in return for illegal services.

On top of this, the government has encouraged visits to (relatively inexpensive) neighboring and nearby countries, such as Tunisia and Spain. What is more important than all this is that the government has intensified its attention to internal tourism, under the slogan of expanding tourism, by throwing the door open wide to the private sector, by offering numerous and major incentives to investment in hotels, by modernizing tourist installations controlled by the government, by improving the quality of services by establishing strict control over their management so as to keep them away from the red tape and the indifference resulting from lack of control and incentives.

It is within this framework that the precious summer shows, whose costs are difficult to estimate, come. There is no doubt that these costs are enormous. There is a large number of high-quality shows. The Ministries of Culture and of Tourism, and even the Ministry of Interior and the Police Department, which invited Ahmad 'Adawiyah, have participated in inviting the performers.

This may seem strange and it may evoke some criticism here and there of the costs and, at times, of the selection. But this criticism cannot be compared with the joyful atmosphere that has prevailed in the Algerian summer this year. It is likely that the experiment will continue beyond the summer, perhaps on a smaller scale and with fewer mistakes. But it will continue because it comes as part of a full-blown plan to improve the quality of life and to alleviate the citizen's suffering from numerous problems. This plan also includes the supplying of goods in abundant quantities and at reasonable prices that cannot be compared with last summer's prices. For example, the price of a kilogram of good meat is 50 dinars whereas it was nearly 80 dinars last year (a dinar is equal to 1.56 French francs at present). This also includes electronic equipment--televisions, washing machines, refrigerators, recorders, cameras and so forth. In the past, a trip abroad was required in most cases to obtain such items. This is in addition to importing furniture and even cars--the machine dearest to the Algerian's heart. A decree has been issued permitting any Algerian to import a new car from abroad whereas a car from Europe used to be sold for many times its actual price in the past.

It seems that the regime has warned against the inaccurate implementation of these measures and against any misunderstanding of them. This is why there is a strict control campaign, whether in the form of the so-called purge operations, whose latest results are the dismissal and imprisonment of a number of Algiers Port officials, or in public life, as in the traffic sector where a simple violation is enough at times to cause the suspension of a driving license for 6 months. The same applies in the travel field. In return for the financial facilities, a careful operation is now being carried out to change the passports and to deny them to fake tourists who misuse these passports, damage Algeria's reputation and give some European governments the opportunity to take special measures against Algerians, as the French Government did when it sent back tens of thousands of incoming Algerians, including some important personalities, and as in the case of Jacques Chirac, who is preparing to launch an inspection campaign next September to identify fake tourists from real tourists.

The plan for opening up "life" is not confined to goods and tourism but also includes improvements in the services sector generally. The Algerians speak with a large degree of satisfaction about the progress of work in the Algiers city metro, which is on schedule and the progress of work in the coastal autostrad and the beltway around Algiers.

Meanwhile, government economists speak about another aspect of the market and of supplying goods, namely, the curbing of inflation by supplying goods capable of absorbing the existing currency surplus, which is enormous because the purchasing power has multiplied in recent years whereas the quantity of goods has not increased. Rather, the available volume of some goods in the market has diminished.

These economists also believe that encouraging the construction of single-family houses will alleviate the housing crisis and will encourage saving. However, this sector has not experienced the desired development so far because most Algerians still believe that providing free or semifree housing is one of the duties of the state.

Even though the officials insist that these steps do not signify a coup in economic policy, some people wonder about the extent to which this "opening up" will go, keeping in mind that the Algerians, both those in the government and those outside it, are "sensitive" to the phrase "open door" which has been used to describe what has happened in Egypt.

A member of the Central Committee specializing in studying the economic experiment has said: "I assure you that socialism is an irrevocable option. But there are new tasks that have to be confronted, including population growth. We are now working with parameters in which Algeria's population will reach 35 million people by the year 2000."

It seems now that the issue is one of restoring balance to the development experiment. In the preceding phase, the experiment of heavy industry prevailed, despite the criticism voiced against it. The present Algerian leadership does not try to shirk responsibility for it. Rather, this leadership is trying to bolster the industrial experiment, not by expanding it but by making it rational and by enhancing its productivity by supplying it with young and qualified technical expertise, considering that in past years the state devoted attention to providing officers and soldiers but neglected to provide the noncommissioned officers who form the army's real backbone. Engineers are available and so are workers. But skilled workers are almost nonexistent. This is why efforts are now being exerted to expand vocational education. Some officials even cite the education sector as an example of the need to rationalize development. In the past, the concern was to provide education under the slogan of the democratization of education. But this was done at the expense of education itself. Now, the democratization of education must imply preservation of the level of education. Actually, due to instructions for the strict correction of test papers, only 18,000 students of a total 117,000 passed their baccalaureate examination this year.

In this regard, and in addition to the decline in the level of education, there is the problem of the unemployment of university graduates which has begun to emerge in Algerian society as a result of the growth of education and the failure to tie it to the country's needs. But what

about those turned down by the university? They are given vocational training to become the noncommissioned officers of the national economy, especially since modern industry has become more a matter of technology and of specialized skills than of engineers.

As for the agricultural experience, the officials stress their satisfaction with the outcome of the recent reforms that have shown up in this year's crops. They hope that the situation will gradually and constantly improve through the attraction of young people to the agricultural sector and the importation of agricultural workers from neighboring countries, such as Morocco.

In the energy sector, the gas pipeline to Italy via Tunisia constitutes the most important recent accomplishment. This accomplishment has given rise to consideration of another pipeline to Spain via Morocco. Despite the general recession in the oil market, the Algerian oil market has not been affected much, primarily as a result of long-term contracts and due to Algeria's success in concluding gas contracts on its own terms with a number of European countries.

Restoring balance to the Algerian development experiment will be one of the main issues to be discussed by the congress of the National Liberation Front Party, which will convene in the second half of December 1983. Meanwhile, the Algerian development experiment will continue to be the subject of study and of varying and conflicting opinions among economic researchers in more than one country and one university, considering that it is one of the most important modern experiments in the Third World. Whatever the case, development does not, as one official has said, mean chaos, socialism does not mean misery and the winds of joy that have begun to blow this summer must settle in our country.

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CSO: 4504/401

IMPORT RESTRICTIONS LIFTED ON SELECTED COMMODITIES

Cairo THE EGYPTIAN GAZETTE in English 3 Aug 83 p 2

[Article by Hassan Amer]

[Text] Private sector importers may bring into the country 11 foodstuff products on their own. The decision was approved by the Higher Cabinet Committee on policies and Economic Affairs.

The goods, from world markets not need be presented to the Import Rationalisation Committee for approval. Importers will have to request from banks letters of credit required for purchasing.

The interference on the part of the Ministry of Supply will be confined to checking the import invoices, fixing official prices in relation to purchase prices, and fixing the margin of profit for each commodity.

The list of commodities to be imported by the private sector traders include, fresh and canned meat, whole and cut-up frozen chickens, frozen and canned fish, pasteurized milk and cheese, maize and olive oil, margarine, butter, tea and coffee, bananas, olives and tomato juice.

The Committee approved the new arrangement to overcome the problems it has on monopolising the importation of these goods. It will save a portion of the subsidies it used to pay, while putting the foodstuff products on sale at reasonable prices.

The importation through government channels was confined to available funds with the General Essential Goods Authority affiliated with the Ministry of Supply, sources at the Cabinet Committee said.

But the local market needs large supplies of foodstuffs to meet the demands of consumers. Thus the private sector importers were granted the opportunity to serve their country and benefit themselves, the sources said.

This, however, should not affect the campaign launched by the government under the motto, 'Be Egyptian -- Buy Egyptian' as these goods are necessities. This means that luxury foods will not be included.

BRIEFS

SECRET MARRIAGES PHENOMENON VIEWED--A NEW phenomenon these days is secret marriages. These are most widespread among the young people, especially university students and graduates. This takes place as a mutual agreement between the two parties: nothing more. In the U.K. it is called "common law marriage." The married couple meet periodically in the flat of a friend, then each returns to his family to resume normal life. The families of the married couple are usually kept in the dark until years have elapsed, then they are faced with a "fait accompli". The reasons for this are easy to understand. First of all, is the difficulty in obtaining flats. How can a university graduate pay for a flat that would cost twice his salary in rent? Second comes the problem of dowries, when the bride's family insists on often demanding unrealistic sums. Last but not least, often the families will stand in the way of a suitable marriage either because the man is not wealthy enough or because the other party fails to match up to their requirements. It is gratifying to see that young people have resorted at least to marriage, of a sort, rather than to content themselves with illicit relationships. Is it realistic, after all, to expect young couples to remain engaged for up to six or seven years simply because they cannot find a flat? [Cairo THE EGYPTIAN GAZETTE in English 19 Jul 83 p 3]

LABOR FIGURES--WAGES of workers in the various economic sectors have been increased by 4.5 percent during the fiscal year 1982-1983, according to a study conducted by the Ministry of Manpower and Vocational Training on the economic and social achievements during the said period. The study has revealed that the total number of workers has increased by 2.2 percent to reach 12,110,000 against 11,742,000 during the previous fiscal year and that the average rate of annual wages in the various economic sectors has reached LE 663.9 against LE 635.3 during the previous year. [Text] [Cairo THE EGYPTIAN GAZETTE in English 14 Jul 83 p 3]

NEW POWER TRANSFORMER--The largest power transformer station in Greater Cairo, which is now underway at el-Sabtia, will be inaugurated early next month, according to the Minister of Power, Mr Maher Abaza, who said that the total cost of the station will reach L.E. 20 million. The capacity of the new station will reach 250,000 kilowatts. There is new cable to link the station to Heliopolis at a cost of L.E. 6 million. This cable, which is the first of its type in Egypt, will help cover the sharply increasing demand on electricity by the new industrial and tourist projects now being established in the capital as well as requirements of the new residential districts, the Minister pointed out, adding that the station will cover only 26 percent of the area of the old station. [Cairo THE EGYPTIAN GAZETTE in English 3 Aug 83 p 2]

RECENT ALIGNMENTS, POST-REDIVISION DEVELOPMENTS OUTLINED

London AFRICA CONFIDENTIAL in English No 16, 3 Aug 83 p 3-5

[Text]

During the past month there has been a temporary lull in armed resistance to redivision of the South. There are four points to note at this stage:-

- 1) *Anyanya* II is attempting to establish a communications network throughout the south and to organise itself under a central command.
- 2) The *Southern Sudan Liberation Front* (SSLF), which claimed responsibility for kidnapping the five foreign aid workers last month (AC Vol 24 14), appears to remain as a viable political umbrella for *Anyanya* II. As previously suggested, kidnappings were carried out independently by a small group of guerrillas from that part of Eastern Equatoria frequented by the populist priest, Father Nero. Hence the lack of "official" southern support for the affair.
- 3) The coalescing of *Anyanya* II has been matched by a corresponding collapse and virtual disintegration of the *Unionist Party*, the traditional opposition party to President Nimeiri led for years by the late *Sherif el Hindi*.
- 4) The act of redivision, and the profound consequences for southern civil servants, unemployment, commercial life and local political intrigue, has paralysed government administration in the south.

The process of consolidation within *Anyanya* II can be expected to take several more weeks before there is any further significant military action. Defections from the national army are continuing, as are the declarations of support for *Anyanya* II by southern political figures. (*Martin Majer*, former deputy speaker of the southern assembly, joined *Anyanya* II last month; at least two other former regional assembly members are expected to join shortly). Now that redivision is irreversible so far as Nimeiri is concerned, the Equatorians can be expected to take a more active part in *Anyanya* II activities. The Equatorians, who did much of the fighting in the previous civil war, have so far stayed aloof from the mainly Dinka-conducted military action of the past few months. A *modus vivendi* between the Dinka and the Equatorians, in which the Dinka will "admit" the military importance of

the Equatorians, is now being worked on. When/if full Equatorian support for *Anyanya* II is gained, the security situation in the south will deteriorate rapidly. In a forthcoming report we will analyse in detail the military and political dispositions in the south.

End of the Unionists ?

The rump of the *Unionist Party* (UP) appears irretrievably split only 18 months after UP leader *Sherif el Hindi* died in Athens. It will be recalled that *Sherif*, a Unionist minister of finance in Sudan in pre-Nimeiri days, was the one main opposition political leader who refused to return to Sudan when Nimeiri tried to bury the hatchet with his former rivals through his national reconciliation exercise in 1977/78. Though certain members of the UP returned to participate in Sudanese political life (notably *Ahmed Sayed Hamid* now presidential adviser on political affairs and decentralisation), *Sherif* continued the struggle to topple Nimeiri from outside the country. This led him in some strange alliances, notably with *Libya* and *Iraq*. But somehow he managed to maintain his image as a reputable opponent of Nimeiri.

His successors have continued his policy of playing all-comers, but with considerably less success. The external UP is now split into three factions - one led by *Ahmed Zayn*, another by former information minister *Abdul Majid al Hassabu* and the third by *Mohammed abd al Gowad*. Its centres of operations are London, Athens, Tripoli and Baghdad.

Initially the squabble for *Sherif el Hindi*'s succession was between former Sudanese health minister

Ahmed Zayn and former members Majid al Hassabu – both former members of the Egyptian Communist party. Zayn won that particular struggle and maintained control of the UP's most important centre in London, where its Iraqi-financed magazine *Al Dastour* is published. Majid al Hassabu decamped to Athens where he set up a rival wing of the party with former Muslim brother Hassan Hamid and businessman Hassan Dimdish. Dimdish established good relations with Libya and won a license to do business there – from where most of the Athens faction's funds originated. Zayn remained in London where he was soon forced to fight a new battle for control of *Al Dastour*, this time with a new Iraqi-backed faction headed by the magazine's editor Mohammed abd al Awadalla. Zayn accused the paper of not following the true Unionist line and attempted to install his own editor, Faisal Hassan al Awadalla. Gowad managed to fight back and regain control – since when *Al Dastour* has been more markedly Baathist in tone.

Zayn went off to start up his own paper, *El Alem* (The Flag). But he was forced to fight allegations in the Libyan-backed London based newspaper *Al Arab* of embezzling a sizeable portion of party funds. Majid al Hassabu has tried to return to London to see what political crumbs could be picked from the table after this latest internecine squabble, but was reportedly refused an entry visa by the British government.

Meanwhile because of these problems funds for the education of Unionist students in Europe have dried up. A group of 12 of them have now tired of playing the round of Arab governments for funds and have applied to the British government for political asylum. They have also stated their intention to establish a new *Sudanese Patriotic Front* which they say will talk with the Sudanese government over a new round of "national reconciliation". However, Khartoum is clearly not interested in meeting any self-promoting initiative from a splinter group. The main effect of the new group has been to cause a certain closing of the ranks by the older generation of Unionist politicians.

Predictably the three new southern regional administrations (AC Vol 24 No 13) are not yet functioning. One of the many problems is the distribution of the defunct Juba-based regional government's assets, above all personnel. The Upper Nile and Bahr el Ghazal administrations want to ensure that the Equatoria administration does not inherit fully the ministry buildings and regional parliament buildings in Juba: they want all the government's assets to be distributed equally to the three administrations,

which in turn would be able to do what they wanted with their inheritance. The Equatorians want Bahr el Ghazal and Upper Nile to ask the national government in Khartoum for their own buildings – a request that would almost certainly be flatly turned down by Khartoum. A compromise suggestion that the Juba buildings be handed over to the *University of Juba* – a national institution – has also been dropped because most southerners reckon it would be tantamount to handing to the north what belongs by right to the south. Last month a committee charged with the distribution of assets went Juba. It made little headway.

The personnel front: Equatorians originally wanted all employees of the former southern government to return to their region of origin. They now say that this should apply only to senior personnel. The rationale presumably is that most of the senior personnel are Dinka, the dominant group in the south, who come from Bahr el Ghazal and Upper Nile, whereas the low-level employees – bookkeepers and clerks etc – are largely from Equatoria. Sending them all home would create even more serious unemployment in Juba, already hard-hit by economic decline. The redivision of the south will mean a further rapid decline in commercial life there. Bahr el Ghazal, whose peoples are 80% Dinka, has a shortage of senior personnel, particularly police officers, local government officials etc, but could not absorb large numbers. Only Upper Nile, which is short of personnel all round, wants in principle everybody to return. Its new governor, Daniel Matthews, however, has said that he could only employ those civil servant he actually needs.

Certainly it would be hard for Upper Nile or Bahr el Ghazal to take on Equatorians, who are resented because of their once pro-redivision stand. In fact Nimeiri's version of redivision is not what "pro-redivision" Equatorians had in mind. Joseph Lagu, the former southern leader, for instance, did not apparently envisage the complete breaking of the Addis Ababa agreement, rather that the southern government in Juba would continue to exist having devolved a lot of its administrative work to new regional governments. A side-show now is that the Bari tribe of the Equatorians, feeling that the dominant Zande tribe is getting too powerful, are demanding their own province, probably in partnership with the Moro people – a claim that at the end of 1981 was vigorously encouraged by Lagu. A measure of the extreme nature of the redivision edict is that Arabic is to be the official language in the south as well – a tall order since much of the bureaucracy there speaks no Arabic whatsoever. Article 8 of the constitution, which deals with the south and the Addis Ababa agreement, will presumably be reworted, or scrapped.

The Khartoum bureaucracy is likewise confused. So far the central government's local government officials have merely applied to the now regionalised south the sort of maintenance policies they applied to the north after the latter's regionalisation in 1980.

The idea at present is that the three southern regions will have interim administrations of 18 months, during which time there would be regional elections for the 40 seats (approx) for each of the regional administrations. Nimeiri would appoint 10% of the assemblymen. The assemblies and the ruling *Sudanese Socialist Union* would then elect three candidates for the presidency. Nimeiri would appoint one of them as regional governor - i.e. one for each of the three regions. The governor in turn would then appoint his own ministers - six, including the deputy-governor.

If all goes according to Nimeiri's plan, the south will henceforth be run in the same way as the north - an "equality" which remains anathema to most southerners ●

CSO: 4500/256

BRIEFS

NEW OIL FINDS--In addition to previous oil discoveries in Sudan, the American oil company of Chevron has made four new finds last year apart from oilwell, Unity No. 14, discovered early this year in the south central part of the country, a specialized publication reported recently. Quoting the annual report of Standard Oil Company of California, the weekly Middle East Economic Survey (MEES) said that Chevron's aggressive exploration and evaluation program was utilizing four seismic crews and three drilling rigs full time and added that a fourth rig will be mobilized into Sudan late this year. Appraisal drilling, according to the publication, is scheduled for both Unity and Heiglig areas, in south central Sudan, in preparation for the field development phase which is planned to commence in 1984, MEES added. An earlier plan for a refinery in Kosti has been abandoned by the Sudanese government in favor of a crude export project. It is argued that the adoption of this project will reduce lead-time, accelerate production start-up and allow higher initial producing rates and future expansion. Last August, Chevron commenced engineering design and evaluation of a crude export system which includes a 900-mile pipeline and a marine terminal on the Red Sea south of Sudan's only harbor, Port Sudan. The pipeline is composed of a main pipeline and a smaller line for moving kerosene or diesel fuel from the Red Sea to the oil fields to thin the waxy Sudanese crude. Contract award for the installations, excluding the marine terminal, is expected some time in August with construction under way by the end of this year. Initial throughput the pipeline, to be completed by the end of 1985, is estimated at 50,000 barrels per day, with the capability to be increased to more than 100,000 bpd, the specialized publication concluded. [Kuwait ARAB OIL in English No 8, Aug 83 p 4]

CSO: 4500/256

TRIAL OF MOVEMENT OF POPULAR REVOLUTIONARY MEMBERS REPORTED

Tunis LE TEMPS in French 24 Jul 83 pp 1, 17

[Article by D. Taha]

[Text] The Movement of Popular Revolutionaries trial began yesterday. Twelve presumed members of this movement were brought before the criminal court in Tunis to answer to charges of several crimes affecting state security.

The Accused

The accused are:

Mohamed Ben Said Ben Yahia, 29, a sea diver, single and a resident of the capital.

Jalal Ben Ali Karmassi, 24, a secretary at the Ministry of Agriculture, single and a resident of the capital.

Jamal Ben Bechir Ben Haj, 28, an employee of the Tunisian Bank Company, single and residing in Tunis.

Belgacem, surnamed Kacem Ben Said Eljani, 28, a technician, single and residing in Tunis.

Amor Ben Mohamed Majri, 35, a writer and editor for the newspaper BILADI, residing in the capital, married and the father of one child.

Abderrahman Ben Arbi Jabnoui, 27, journalist, single and with double residence, in Tunis and Sfax.

Mohamed Ben Salah Chelbi, 28, a teacher at the high school in Metlaoui, single and a resident of El Hamma.

The defendants mentioned above were arrested and brought before the criminal court.

The defendants whose names follow were released by the court on bail.

Mohamed Ali Ben Salah Bouzinbila, 27, owner of a cafe in El Hafsi, married and the father of children and residing in Tunis.

Jalloul Ben Mohamed Faki, 27, an employee of the National Administration School, a bachelor.

Mohamed Ali Tabib, 25, an agronomical engineer, single and resident in Tunis.

Khaled Ben Mohamed Ben Ahmed Sfar Ben Chakbar, 24, a diver residing in Tunis.

One individual, Taoufik Madini, has fled justice and was tried in absentia.

It should be noted that all the above-named defendants have no prior criminal records.

The Charges

The 12 individuals listed above are charged with associating with a view to committing crimes against individuals and property and maintaining an unauthorized organization.

Mohamed Ben Said Ben Yahia and Jalal Ben Ali Karmassi are additionally charged with the main crime, theft. The former is also charged with possession of explosives.

Belgacem Eljani, Amor Majri, Mohamed Chelbi and Taoufik Madini are charged, in addition to the main offense, with the import, distribution and possession of foreign books and documents with a view to disturbing the peace and public order.

Amor Majri, in addition to the other charges against them, is accused of forging a certificate in the name of a third person and use of said certificate.

The criminal charges mentioned are set forth and penalties for them are prescribed in Articles 131, 132, 133 and 264 of the Penal Code, paragraph 2 of its Article 99, Articles 29 and 30 of the decree dated 7 November 1959, the ordinance dated 18 June 1894 and abrogated by the ordinance dated 30 April 1953, as well as Article 62 of the Decree on the Press dated 26 April 1975.

The Public Prosecutor's Statement

The following is a summary of the statement presented to the criminal court by the public prosecutor.

"Consistent with the petition of the public prosecutor at the time the prohibition on the Tunisian Communist Party was lifted by the authorities, this party reincorporated all the elements which were active within it in clandestinity, to the point that its ranks were swelled and its more enduring activities were intensified for the purpose of allowing it to participate effectively in the last legislative elections. But the intensification of

the activities of this party was much reduced following the end of the elections. The party no longer engaged in any but the routine activities which its leaders regarded as normal. This attitude was not shared by certain of the members, who regarded the policy of their party as lax and supportive of the government policy.

For these dissidents, the opposition in Tunisia was no more than a cosmetic facade made necessary by the new political trend in the country, which was oriented along the path of democratization and political openness. As a result, they decided to leave the Tunisian Communist Party and to create an opposition force independent of any political party to pursue revolutionary violence as a means of undermining and sabotaging the existing regime, and adopting as a goal the establishment of a Marxist-Leninist regime in Tunisia.

Mohamed Ben Yahia was the mental author of this political vision. He devoted a major part of his time to persuading some of his comrades of the need to resign from the communist party in order to create a revolutionary organization similar to the Italian Red Brigades.

Jalal Karmassi was the first to follow him. He went with him on his travels and to meetings and was able to enlist Mohamed Ali Bouzinbila, with whom his friendship was strengthened and consolidated during a trip they both made to Algeria and Morocco.

The circle of this revolutionary group rapidly enlarged thanks to the addition of Mohamed Ben Yahia, Mohamed Ali Tabib first, Khaled Sfar next and later Jalloul Faki.

The defendants met with increasing frequency to draft the programs and establish the goals to be achieved by their association. In the course of a meeting held in Hammamet, Mohamed Ben Yahia, desirous of guaranteeing success for his undertaking, stated that the final goal of their organization was to change the existing regime by means of attacks on property and individuals. To achieve their goal, they needed to find the financing required to cover all the expenditures of their movement, but to pay for weapons as well. Since the banks had money, Mohamed Ben Yahia proposed, during this meeting in Hammamet, that they steal it, beginning with the Ezzahra branch. Assured of his comrades' willingness, he took on the responsibility of studying all of the information gathered by his comrades on the bank in question and drafting a plan of attack. To increase the chances of success in their activities, Jalal Karmassi said that he made a walkie-talkie belonging to his uncle available to the group.

The group held more frequent meetings now, gathering twice a week in different places, either at the home of defendant Jamel Karmassi [sic] or in cafes and other public places.

The group decided to go beyond the plans and undertake revolutionary action. According to the group, this action would involve little expenditure but would have catastrophic results for the state and would attract the attention of the public. It was Khaled Sfar who suggested blowing up the railroad station in Tunis with homemade bombs he proposed to produce. Everyone with the

exception of Mohamed Ali Tabib was in agreement on carrying out this action. Tabib opposed it, feeling that the choice of the Tunis railroad station was very poor. He tried unsuccessfully to persuade his comrades of the extent of the disaster such an action would produce and of the serious consequences of the explosions, of which passengers and railroad employees would be the victims.

Since the association needed a name, the defendants agreed to call it the Movement of Popular Revolutionaries, and adopted combat aliases.

Because of the danger of the planned activities, there were some deserters from the ranks of this association, despite the threats voiced by Mohamed Ben Yahia, who told the participants at the meeting that he would not hesitate to physically eliminate any individual who desired to leave the group.

Ben Yahia continued to look for new members with a view to enlisting them in his organization.

To this end, he made contact with Belgacem Eljani, who already belonged to another organization with headquarters in France.

Eljani viewed Ben Yahia's ideas with favor, but refrained from informing him that he too had established a cell in Tunisia representing an extension of the movement to which he belonged.

Eljani attended a number of meetings of Ben Yahia's group, and after each one, he reported to a member of his cell on all that went on there. That member was Amor Majri.

Ben Yahia's circle was joined by Jamal Belhadj, who in turn enlisted Abderrahman Jabnouni. The latter shared the ideas of the group and was entrusted with drafting a report on the situation in Lebanon following the Sabra and Shatila massacres, as well as another on the position of the Arab nations in general toward these massacres, and on the position of the Arab left wing toward them in particular.

These reports were discussed during a meeting held in Raouad. In the course of the meeting, the members of the Movement of Popular Revolutionaries decided to strike at the interests of the nations allied with Israel in Tunisia. The first locality to be affected was the Saudi Cultural Center. They studied ways and means of carrying out their plan, and visited the center on two occasions to reconnoiter the site.

When Eljani reported this information to his comrade Amor Majri, the latter told him that the moment was a propitious one for uniting the two movements.

What exactly is this cell of Amor Majri's?

The defendant Belgacem Eljani met Amor Majri in Paris. The latter belonged to the Arab Popular Liberation Movement headed by the Palestinian Naji Allouche and he created a base foreign cell for Tunisia under the

jurisdiction of that movement, and including, in addition to Majri and Eljani, Taoufik Madini and Mohamed Chelbi. They decided to return to Tunisia to live in order to establish their cell and increase the number of its members.

Majri was the first to return to his native country, where he began to work as a journalist for the newspaper BILADI, the weekly organ of the Tunisian Destourian Socialist Party.

Then it was Eljani's turn to return to the country, on 12 July 1982, and he made direct contact with Majri, who suggested that he recruit members to join the group from among his friends.

Eljani knew that his friend Ben Yahia was openly opposed to the regime in power. For this reason he made contact with him, but it was Yahia who believed he had recruited the other.

Amor Majri had already leased premises in the Cite Ettahrir, and had purchased a table, chairs and a photocopying machine to facilitate the activities of his cell.

Thus Amor Majri sought to close ranks and to merge Ben Yahia's movement with his own since they had identical means and resources.

Ben Yahia was summoned to work in a port near Mahdia.

He took steps to have Eljani work with him, so that he could have him constantly at his side. It was from a shipyard warehouse that Ben Yahia stole the two sticks of dynamite with which he planned to blow up the United States Embassy in Tunis.

As soon as they learned of the activities of the Movement of Popular Revolutionaries, the state security services began very close surveillance of each of its members, and the public prosecutor was warned of what was developing. He ordered an investigation which led to the arrest of the defendants."

The Hearing

Already by 8 am, the hearing room was overcrowded. Security precautions in particular had been strengthened.

Then the hearing began. President Lakdhar Ben Abdessalem began with other cases, and then came to the case of the 12 defendants belonging to the Movement of Popular Revolutionaries.

All of the accused appeared before the president of the court except the fugitive Madini, and Bouzinbila, who had been released on bail and failed to respond to the court summons.

Then the roll of the defense attorneys was called: Nasr, Bellalouna, El Nouri, Bou Ali, Ben Hadj Hamida, Mouelhi, Tadj, Ghodhbani, Souaih, Baazaoui, Hallouani, Nabiha Ben Chaabane.

After verifying the identity of the defendants, President Lakdhar Ben Abdessalem proceeded directly to the questioning, beginning with Mohamed Ben Yahia.

This defendant insisted on explaining to the president of the court that since he had suffered torture, he wanted to testify seated.

The request of the defendant was granted, and a policeman provided him with a chair.

The president resumed the reading of the charges against Ben Yahia, and then addressed the defendant.

"While you have the right to say that you object to the regime, you do not have the right to blow everything up."

In his statement, lawyer Bechir Essid said that "this is not questioning. You are trying to influence my client. You want to guide and direct him."

The president said: "No, that is not true."

Mr Essid wanted to continue, but he was interrupted by the president, who warned him with the following words: "This is the last time I will ask you not to interfere with my authority. It is the president who directs the trial, and not the lawyers."

Mr Essid: "Let the record show this."

Ben Yahia: "We never planned to proceed to the execution of any activity at all. All we did was discuss political life. All of our "plans" were thought up by the police for us. We were tortured and made to suffer. The evidence of torture is still visible, 9 months after our arrest."

The president: "You held meetings: Tell me what you discussed."

The lawyers: "Let the record show that the president did not read the charges listed in the committal for trial document."

The president, to the court clerk: "Let the record show this."

And to the lawyers: "You must not interrupt during the questioning!"

Mr Lakdhar Ben Abdessalem: "What did you discuss during your meetings?"

Ben Yahia: "We discussed political, economic and social problems. We spoke of democracy and the Arab world."

"I cannot discuss the meetings before explaining how we came to meet. I created no organization with the individuals here. Give me some water."

The president: "Bring him some water."

The defendant uncovered his legs and showed them to the president of the court, saying: "Look at the scars and the evidence of torture. Everything in the file is false."

The lawyers: "Mr President, let the record show this."

Mr Essid: "I demand a doctor."

Mohamed El Nouri: "The court has the right to coordinate the hearing, recognizing the lawyers, and not to direct it."

The president: "Each lawyer must carry out his duties. Torture is another problem."

Statement by the defendant Sfar: "I want to speak. What has been recorded about me is false."

Ben Yahia refused to answer a question from the president of the court about the dynamite, and he added: "I have the right to speak, as you have the right to judge me and to impose the penalty you want, perhaps 15 years. I have the right to defend myself."

Almost weeping, he continued: "If I am accused it is because I took a step for the Palestinian cause, that cause which should be the first concern of the Arab world."

The president: "And the dynamite?"

The defendant: "The dynamite has nothing to do with this matter."

The president: "The Palestinian affair is not on trial here."

Ben Yahia: "If you want to understand this matter, let me speak."

"Are you going to answer or not?"

"Yes, I will answer you. I am thirsty." (A policeman served him.)

The president: "What about the dynamite?"

The defendant spoke about the Palestinian cause.

The president, to the court clerk: "Let the record show that he refuses to answer the question about the dynamite and that he is talking about the Palestinian cause."

The defendant: "The dynamite was seized at my house, but one must follow the development of this affair, one must proceed by stages to get to the dynamite."

The president: "Return to the defendants' bench until you can pull yourself together."

The lawyers: "If you have finished your interrogation, we would like to question him."

The president denied the lawyers' request.

Mr Bechir Essid: "You are not proceeding in accordance with the law."

The president: "What you are saying is dangerous."

Mr Essid: "Let the record show this."

The president of the criminal court proceeded to the second defendant, whom he summoned to the bar.

A number of lawyers left the room about 11 am, and returned a few minutes later whispering that the president of the appellate court of Tunis would interrupt the trial.

A few minutes later, President Lakdhar Ben Abdessalem suspended the hearing to clear the court.

Immediately afterward, the president of the criminal court called one of the 12 defendants to the bar.

Mr Mohamed Salah El Ayari, first president of the court of appeals of Tunis, accompanied by Mr Hechmi Zammel, assistant public prosecutor for the court of appeals, then entered the room. They mounted the rostrum and remained, following the trial for almost an hour. At 3 pm, the hearing was adjourned for an hour.

All of the defendants were questioned.

The public prosecutor took the floor to describe the defendants as individuals who could not be rehabilitated, being influenced by movements foreign to the country and guilty of destructive desires. He added that the defendants concealed their real aspect as destroyers, using the Palestinian cause as a front. He said that the Tunisian government and citizens have always regarded the Palestinian cause as a noble one they defend.

The public prosecutor ended his statement with a demand that the defendants be found guilty of the charges listed in the committal for trial document. He demanded the maximum penalty.

The president then called on the lawyers. Only Mr Hanachi pleaded his case, since the other lawyers asked for a postponement of the case to a subsequent date. The president of the court denied their request. All of the lawyers left the hall. The president of the court asked each of the defendants in

turn if he had a last statement to make. The court retired at about 1645 hours to deliberate, and returned to announce the verdict. The sentences imposed were as follows:

Ten years of forced labor for Taoufik Madani.

Seven years of forced labor for Mohamed Ben Yahia and Amor Majri.

Four years' imprisonment for Jallal Karmassi, Jamel Belhadj, Belgacem Eljani, Abderrahman Jabnoui, Mohamed Bouzinbila and Jalloul Faki.

Two years' imprisonment for Mohamed Ali Tabib, Khaled Chakir and Mohamed Chelbi.

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CSO: 4519/301

IRAQI PILOTS TRAINING IN GREAT BRITAIN, FRANCE

London AL-MAJALLAH in Arabic No 180, 23-29 Jul 83 pp 34-38

[Article by Nadim Nasir: "The British Official in Charge of Training Iraqi Pilots Is Questioned"]

[Text] Since the outbreak of the Iraqi-Iranian war the British government has been eager to proclaim its neutrality in this regional struggle, as it likes to call it. This stand arises from the Western stand in general. Therefore, the West has not tried very hard up to now to end the bloody, destructive struggle in the Gulf, although it probably would fail because of the stubbornness of the Khomeyni regime. However, the prolongation of the war, which most military experts do not expect to last more than a few months, and the moderateness of the Iraqi position compared to the Iranian intransigence have made the West in general reexamine its "neutrality," although not openly, after it realized that the Khomeyni regime, which is irrational in its dealing with Western countries, constitutes a threat to Gulf security. The new stand is reflected in the arms sold by the French, Italians, and others to Iraq while the ban imposed by the Western countries on arms sales to Iran since the American hostage crisis in the American embassy in Tehran is still largely in force.

Despite all the secrecy, Britain clearly has sent experts in military aviation to Iraq to train Iraqi Air Force pilots who had received their basic training in the Soviet Union and France. Eighty Iraqi pilots are now training in Britain. Although the Royal Air Force once trained many Arab military pilots, the British government is not responsible, at least officially, for training the group of Iraqi pilots, a task that has been undertaken by a British commercial organization named Specialized Flight Training with headquarters in Cheltenham near Southampton [as published] in southern England. This organization whose board of directors is headed by Air Marshal Sir Peter Wickham, who was deputy chief of staff of the Royal Air Force in charge of training before his retirement, was formed in 1981 by a group of Royal Air Force officers who left the service because they believed training pilots from the Arab world in general could be commercially profitable.

When AL-MAJALLAH met with John Davey, director of the organization, he said: "For the last 3 years it seems to me and some of my colleagues that the

British Ministry of Defense received many requests from Arab governments to train their pilots in Britain and that all these requests from Arab governments to train their pilots in Britain and that all these requests cannot be satisfied. The training of fighter pilots requires costly equipment and highly experienced instructors. Because of the steady decline in British outlays for defense, especially under the conservative Thatcher administration, the ability of the British Ministry of Defense to train pilots from friendly countries also decreased. We therefore decided to set up a commercial organization to fill the gap in the ability of the British Ministry of Defense to train Arab pilots. We got in touch with the Foreign Office and told the officials of our intentions and willingness to train Arab airmen. They said that would benefit Britain because it would help to promote the sales of British arms in the region. We made it clear in the request we submitted to the Foreign Office that we were trying to get official permission to train pilots from the Arab countries in general. The Foreign Office position might be different if we requested permission to train Iranians, for example. I believe training foreign airmen in Britain will make them more sympathetic to British points of view and help to open a market for products of the British arms industry. While it is true that the decision to buy weapons from a particular source is influenced by a number of factors, it is also correct to say that military officials prefer, under normal conditions, to buy the arms in which they trained and became familiar with and understand the accompanying instructions in English. Our organization can therefore be regarded as a useful agent for selling British arms."

How Is the Training Being Carried Out

The contract to train 80 Iraqi pilots was signed after prolonged negotiations. Because of the secrecy with which this program is being carried out for security and military reasons, the Iraqi military authorities refused to let us talk to the airmen or photograph them close (Hambel Airbase) where the men are undergoing their basic training and where British Airways prepares its civil aviation pilots. We learned from the director of the organization and Wing Leader John Davey that the organization insists that the Arab airmen spend 6 months in studying English in order to perfect their knowledge of the language and get used to the British environment before receiving elementary flying instruction at (Hambel Airbase). Then after 5 weeks of theoretical study on the ground, they spend 20 weeks in preliminary flying accompanied by theoretical lessons on the ground since each one has to fly 70 hours in Firefly aircraft, which are of the propeller-driven Bulldog class used by the British Royal Air Force. When this stage is completed, the airmen are divided into two groups according to their mental and psychological readiness and the ablest are sent for training on turbo-props of the Firecracker class to prepare to fly jets. The other group is trained to fly Gazelle helicopters in a period of 18 to 27 months, depending on the individual's mental and psychological readiness and the branch of service in which he is to specialize. In addition, the pilots are taught tactical planning. Wing Leader John Davey said to us: "In the Eastern bloc, the training of foreign pilots focuses on flying technique alone and not on producing pilots capable of working up tactical plans and carrying them out."

Flying is a means, not an end in itself in the military field. Flying a plane is a means of aiming an aerial weapon at hostile targets. When we went to Iraq to train pilots, we found Iraqi helicopters attacking Iranian tanks in the open desert. They would destroy one from time to time but suffered losses because the helicopters were exposed to rockets and anti-aircraft fire. We explained to them that that was a faulty tactic and that a helicopter had to be concealed at the foot of a hill and bide its time there. When two or three hostile tanks approached, the helicopter was to take off, quickly destroy the tanks, and then return quickly to its place of concealment far from the enemy's line of fire. The Iraqi Air Force applied this advice."

The Specialized Flight Training organization trained 20 pilots from Abu Dhabi and several Kuwaiti pilots before it started to train the Iraqi group. The training is based on the program followed by the British Royal Air Force. It is supplemented by additional training requested by the government to meet its local needs. However, the training program is limited in that the British Civil Aviation Authority which authorized the organization's activities in the field of specialized aviation does not permit it to use live ammunition in the final training stage. Consequently, the pilot who completes the course has to continue his training with live ammunition an advanced jet aircraft when he returns to his country. John Davey estimates that a helicopter pilots needs 25 more flying hours before he is capable of taking part in military operations and up to another year of training until he can fly a jet like the Mirage 2000 and take part in military operations.

The organization owns equipment valued at 5 million pounds sterling, 10 stunt planes of the Firefly class which resembles the Bulldogs, 7 Gazelle helicopters, 3 Firecracker turboprops, and 3 Jet Ranger helicopters. Advanced training takes place in the final stages in Perth, Scotland because the air space there is open, the rural population is small, and crowding is less than in southern England. The organization is not now thinking of expanding its activities for a number of reasons as John Davey told us: "Acquiring or leasing more aircraft is easy. The problem is finding specialized instructors who have just left the British Royal Air Force. It is important that an instructor be au courant and familiar with the latest developments in military aviation and Air Force regulations. Moreover, an excessive number of trainees will put an end to the personal relationship that links them to us. I know them (all) personally and anyone of them can come to my office to tell me about his problems, personal or relating to the course."

"The Iraqi Pilot Is Good"

The organization deals directly with governments interested in the training of their pilots, but it must obtain British Foreign Office approval in advance before it can sign a contract with any government. It is impossible, therefore, for any individual, even if he can afford to pay for the course out of his own pocket, to take the specialized flying course offered by the organization. The success rate in the course is 80 percent, which is much higher than that among foreign airmen trained by the Royal Air Force. Wing

Leader John Davey attributes this to the fact that a pilot who trains in the Royal Air Force is competing with English trainees in studying in English, which is not his mother tongue and is responsible for their swift progress in studies and training. What the Specialized Flight Training organization does, on the other hand, is to create a less tense environment that an Arab pilot can understand. He doesn't have to compete in a different and strange environment.

We asked Wing Leader John Davey his personal opinion of the skill of Arab pilots. He said: "Arab pilots as individuals are good. However, success or failure in flying depends not so much on individual competence of the pilot as on his ability to function as a member of a team and on the existence of a tactical plan the team can carry out. An Arab pilot is distinguished by his individual ability and tendency to demonstrate that ability and skill. But individual behavior is not very useful these days. Therefore, an Arab pilot must learn that he is only part of an integrated team. A pilot's level does not depend solely on the level of training that qualifies him for military flying. Practical experience in the air force of his country is extremely important in fixing his level. What happens in most Arab air forces, however, is that the pilot leaves the service after a short time without having had a chance to acquire the extensive experience that comes from long practice. A pilot in some Gulf countries serves on average no more than 3 years before he resigns to go into a profitable business. The situation in Kuwait is a little better because the average period of service is 10 years. In Iraq, it is 20 years. A pilot's level results not from his basic training but from service in his country's air force. Then too there is the type of plane that the pilot flies. A fighter aircraft, whether a helicopter or a fixed-winged plane, is no longer just an aircraft. These days it has become an "integrated weapons system" and the pilot must operate it accordingly. We try to teach pilots how to operate an integrated system, not only how to fly. Flying is easy, but the important problem is to learn how to position the plane in a spot where its advanced weapons can hit the target. It is even more important for the pilot to avoid hostile fire."

Finally, we asked John Davey if he believed the organization that he directs places neutral Britain in a position more in favor of the Arabs. He said: "Although the British government has adopted a position of neutrality on the Iraq-Iranian struggle, it is not difficult to sense that it is inclined to favor the Arabs in this struggle. The very fact that it does not support the Iranians and that it responds to the Arabs' military needs can easily be interpreted as backing for the Arab state.

Training in France

In addition to Britain, France is training about 100 Iraqi pilots on French aircraft in the southern city of Dinard. The training began last October. It is being carried out in several stages. The first starts with training on civil aircraft. This program is being implemented quietly and inconspicuously.

FRANCE ATTEMPTS TO EASE IRAQI DEBT CRISIS

London AL-MAJALLAH in Arabic No 180, 23-29 Jul 83 pp 43-45

[Article: "The Gulf War Is Costing Baghdad a Billion Dollars a Month"]

[Text] In a clear attempt to avoid a stoppage of the work of French contractors in Iraq, the French government backed by the banks and interested companies has undertaken to negotiate with Iraqi officials on a plan to refinance Iraqi debt payments due in 1983.

The French proposals for rescheduling the debts appear to be more lenient than the proposals advanced by other countries which usually allow a rescheduling period of about 7 months. French leniency reflects both the magnitude of the "discovery" of the French contracts with Iraq and the strengthening of trade relations between the two countries.

The Franco-Iraqi plan is part of a broader plan agreed to at the end of last May after several months of negotiation. The general plan includes a rescheduling of the civil payments due in 1983 and estimated at more than \$1 billion. It also includes France's agreement to purchase 4 million tons of Iraqi crude oil over a period of 12 months in order to help Iraq make its payments for French arms transactions valued at \$1 billion in 1983 alone. France is the second largest source of Iraqi arms after the Soviet Union and the third largest source for civilian goods.

Like other foreign companies, the French companies are facing a delay in receiving payments due them from Iraq in 6 to 7 months for a number of public works projects, including the railroad between Baghdad and Basra, the Saddam Husayn International Airport in Baghdad, and water supply systems.

Negotiations on the rescheduling of Iraqi debts to French companies began shortly after the outbreak of the Gulf War in September 1980. When it became clear to the French that these negotiations were going to take longer than expected, they asked the French central bank to guarantee the financing of their operations in Iraq at low interest rates until they were able to collect what was due them from the Iraqi government.

The First Financial Aids

The French central bank granted the first financial aids in 1981. It then circulated and extended them to a larger number of companies in the

following years until the debts amounted to about a billion French francs or \$129.4 million.

The debts now being negotiated for rescheduling are estimated at about \$1 billion or more. Since every establishment with revenues in excess of 50 million French francs is entitled to ask for a refinancing of its operations, huge amounts resulting from the additional expenses incurred by the French companies due to the war may also be added to these debts.

The French central bank will offer loans covering 85 percent of the sums due from Iraq in the current year. The only condition imposed by this loan agreement is Iraq's obligation to cover the remaining 15 percent of the amount of the delayed payment. It was agreed that the Iraqi obligation would be guaranteed in part by an increase in oil exports to France, although the larger part of the revenues from these exports was allocated to finance French arms deals. However, this aspect of the official Franco-Iraqi agreement faces difficulties arising from the hesitation of the French oil companies to buy additional quantities of Iraqi crude oil, despite the lowering of prices that ties the sale of 35,000 barrels of day out of 80,000 to the spot market price of Kirkuk crude oil.

The central bank will provide loans for 3 years with a 1 year of grace period. Accordingly, repayment is expected to begin at the end of March 1985 with the first of 4 equal semi-annual installments.

Another Problem

Despite agreement on the details of the loan, the more important aspect of it, that is, the interest rate, is still under negotiation and discussion. The French banks insist on having an interest rate 1.5 percent above the effective rate between London banks (Libor), whereas the Baghdad government demands an interest rate of no more than 1.1 percent above it, that is, one close to the rate it obtained for the \$500 million loan from the European money market under the administration of the Bank al-Rafidayn at the end of 1982. Besides an interest rate equal to the Libor rate, the borrower must bear an expense amounting to 63 percent in order to obtain the guarantees of Coface, the French company that insures foreign trade loans, in addition to an expense of half a percent that the banks require to cover the cost of administering the loans.

The French bank for foreign trade is responsible for coordinating the work of all the parties involved in the Franco-Iraqi loan transaction, despite the fact that the Banque National de Paris, the Credit Lyonnais, and the UBF are considered the main banks for arranging loans. None of them is officially charged with administering the loans.

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The other problem being negotiated relates to specifying the identity of the borrower. Are the loans to be made to one of the institutions borrowing country with backing by the Bank al-Rafidayn or are they to be made directly to the Bank al-Markazi al-'Iraqi which will undertake to apportion it according to the requirements of the development projects? The French expressed their preference for the first option, fearing the French contractors will object to another postponement of the payment dates in case the Iraqi banking authorities assume responsibility for apportioning the credits.

Coface expressed its readiness to insure 85 percent of the amount of the loan of every single bank provided that the companies concerned pledge to insure the remaining 15 percent of the loan. The Coface guarantee is the basis of the loan and interest.

Value of the Risks

The Franco-Iraqi deal is considered a kind of realistic recognition by both sides of the need to reach a settlement to assure the continuation of work on the main development projects, on the one hand, and guarantee the necessary liquidity of the French contractors with an adequate guarantee of payment, on the other. The value of the contracts covered by the Coface guarantee is about 25 billion French francs, that is, almost \$4.5 billion. The actual value of the risks to which Coface considers itself exposed in the event of default is no more than 7 to 8 billion French francs or about \$1 billion. It is very likely that the French companies will be forced to import larger quantities of Iraqi oil than they want to. The contracting companies will have to accept risks equivalent to 5 percent of the development aids offered by the French banks.

Despite the fact that all the parties concerned agree that the Franco-Iraqi deal assures a solution to the crisis of the Iraqi debts falling due in the current year, a still unresolved problem is the fate of the debts due in 1984 and 1985. The shrinking of the Gulf states' oil revenues and, consequently, their liquidity may make the problem even more difficult. In fact, French banking circles fear that 1984 will mark the beginning of a liquidity crisis so much worse than this year's crisis that the French government may have difficulty in resolving it.

French banking circles are basing their expectations of future Iraqi liquidity on the assumption that the Gulf war will continue. It is costing Iraq about \$1 billion a month according to the informed American publication MIDDLE EAST AFFAIRS. This is an enormous sum when measured against the value of the oil revenues which have shrunk to 7 billion barrels a year owing to the decline in Iraqi oil exports to 700,000 barrels a day. This is less than one-fourth of the pre-Gulf war volume.

Moreover, the publication reports that Iraqi cash reserves have decreased from \$35 to \$5 billion, the lowest level since the outbreak of the war.

HERUT MK'S CRITICISM OF ARIDOR CAUSES STIR, BUT NO CHANGE IN POLICY

Jerusalem THE JERUSALEM POST in English 11 Jul 83 p 8

[Editorial: "Aridor on the Hook"]

[Text]

TO SUGGEST that Israel is in dire economic straits, and that the trouble is largely the product of a misguided economic policy, is at worst to be guilty of a truism. But when the suggestion is made by MK Yigael Cohen-Orgad it is something of a sensation. This is because the Herut parliamentarian is the head of the Likud faction on the Knesset Finance Committee, and would normally be expected to serve as a major prop for Finance Minister Yoram Aridor.

Mr. Cohen-Orgad's outspoken criticism has, not surprisingly, thrown the Treasury and its loyal political backers into a veritable fit.

When he first sought to speak his mind, at the Herut central committee meeting last Thursday, Mr. Cohen-Orgad was literally shouted down by friends of Mr. Aridor. When he repeated the criticism on radio and television, Deputy Finance Minister Haim Kaufman offered a rebuttal of sorts, proposing that Mr. Cohen-Orgad was politically, and therefore illicitly, motivated. He might have meant that Mr. Cohen-Orgad, supported by Defence Minister Moshe Arens, was doing to Mr. Aridor what Mr. Aridor had done to Yigael Hurvitz three years ago, in laying out an alternative economic policy to be implemented by himself.

Most Israelis, however, would probably reason that what was sauce for the goose is sauce for the gander. What truly interests them is only whether Mr. Cohen-Orgad is right in his contention that failure to drastically revise policy now would only require a more painful change of course at a later date.

What Mr. Cohen-Orgad plainly has in mind has been spelled out in alarming detail in a whole series of reports by the Central Bureau of Statistics and the Bank of Israel, which have also received frightening confirmation from the International Monetary Fund and the U.S. Government Accounting Office. The composite picture drawn by these diverse sources has received wide publicity. The country is running a 145 per cent annual inflation, and a balance of payments deficit of nearly \$5 billion. The national debt to foreign creditors has reached \$20 billion. While exports have been falling precipitously, imports and private and public consumption are rising steadily.

The unreality of improving living standards at a time the country is moving relentlessly towards bankruptcy should certainly have given the authorities pause. But so far it has not. True, Israel is still some two or three years away from genuine financial catastrophe, when it would be hard, if not impossible, to obtain fresh foreign loans to repay old debts. But progress to the brink is inexorable, under the present policy. This prospect does not seem to faze the finance minister. What matters to him is that his ways keep his party in power and cement the historic tie with Judea and Samaria. If the worst comes to the worst, he probably believes the U.S., and American Jewry, would bail him out. Meanwhile the Israeli people, enjoying their artificial prosperity, buy his argument that, if anything is wrong with the economy, it is essentially the fault of the world recession and not of slow devaluation.

But the scenario is not working entirely as planned. The U.S. seems to be getting reluctant to pick up the tab for Mr. Aridor. According to American columnists Rowland Evans and Robert Novack a confidential section of the GAO report on aid to Israel claims that the U.S. "confronts a rising spiral of financing Israel that may be impossible to stop." Perhaps Washington should be satisfied that it can thus tie Jerusalem to its apron strings; but in fact it seems to be worried.

Some Israelis, too, are becoming concerned about an economic policy that is mortgaging the country's future to the vision of annexation. These Israelis might be ready to tighten their belts now, if this were the true official policy. But Mr. Aridor is fearful that an early shift in that direction, as recommended by Mr. Cohen-Orgad, would work against Likud interests: for example, it might lose the Likud the municipal elections due in November.

There are, therefore, good political reasons, in Aridor's book, including emerging internal divisions in Herut, for him to ignore economic realities and charge his critics from within the Likud with politicking.

CSO: 4400/439

POLITICAL, SOCIAL STAND OF 'EAST FOR PEACE' MOVEMENT EXAMINED

Jerusalem THE JERUSALEM POST in English 8 Jul 83 (Supplement) pp 3-4

[Article by Daniel Gavron]

[Text] East for Peace aspires to be much more than a Sephardi version of Peace Now. The movement, barely one month old, has on its agenda nothing less than a total revolution in Israeli society.

"The Zionist pioneers from Eastern Europe had no knowledge of either the Arab-Moslem world or the oriental Jewish world; but these two worlds have been in contact with each other for centuries," says Dr. Shlomo Elbaz, lecturer in comparative literature at the Hebrew University.

"Our starting point is that we here in Israel are part of the eastern world," declares poetess Shelley Elkayam.

Elbaz, 62, born in Marrakesh, Morocco, and Elkayam, 27, seventh-generation sabra, are two of the founder-members of East for Peace, a movement that has emerged from the country's oriental communities.

Elbaz is a rangy, relaxed figure with casual clothes, rope sandals and tousled white hair. Elkayam is very sabra: articulate, outspoken, impatient with anything she regards as nonsense. I talked to them, and two other founders of EP, in Elkayam's Jerusalem apartment.

The movement's aims, set out in its founding proclamation are:

To encourage the peace process in the Middle East;

To combat allegations that oriental Israelis are extremist, violent and hostile to peace;

To further the political consciousness of the oriental masses, who have been subject to political manipulation, and to support their struggle for the realization of their true social and cultural rights.

Although peace is the central aim of EP, its basic drive comes from an awakening of what are usually called /Edot Hamizrah/ [*in italics*] (the

communities of the east). One of the first priorities is to get rid of this label.

"An /eda/ [in italics] is a small, quaint group with a folklore," suggests Elkayam. "But the majority of Israelis, including those born in Israel, are /mizrahim/, [in italics] orientals. How can the majority of the population be an eda?"

The European Jews laid claim to a "culture," or a "way of life," she noted, whereas the oriental Jews had been saddled with a "mentality." This was not a mere play on words, she insisted, but an indication of the way the European Jews looked down on their oriental compatriots.

"We intend to break the stereotype," says Elbaz. "We are depicted as primitive, violent, haters of Arabs and opponents of peace. Even the Peace Now people, whom we regard as our allies, say that the Edot Hamizrah are a barrier to peace. Nothing could be further from the truth."

Jouranalist Jules Daniel, 44, also Moroccan-born, believes that the oriental Jews were forced into a hawkish political line out of a sense of inferiority. The Europeans had looked on them as "half-Arabs," so their reaction had been to take up extreme anti-Arab positions to prove how "Zionist" they were.

This, however, was utterly alien to the oriental Jewish tradition, he asserts. He was confident that, with the growth of a new pride in their oriental identity, this attitude would be jettisoned. "A majority of us favour peace and compromise," he says, noting that at one time there had been talk of the oriental Jews being a "bridge" to the Arab world. "We can be that bridge," he says, "but without the inverted commas."

He points out that there had always been oriental Jews who tried to forge links with the Arab world, citing a Paris-based group of North African Jews called Identity and Dialogue.

The "identity" concerned their identity as Jews, he explains, the "dialogue" was with the Arabs.

Writer Ami Bouganim, 32, who immigrated to Israel 14 years ago, also comes from Morocco. He teaches and writes on philosophical subjects and has already published two books in Paris. He is lean and intense, with horn-rimmed glasses, and looks a little like a youthful Butros Ghali. He points out that, whereas in France North African Jews had reached intellectual prominence, their compatriots in Israel had not succeeded in making their voice heard. Jacques Atali, born in Algiers, was one of France's leading economists, he noted, and Albert Memmi, born in Tunis, was a world-renowned sociologist.

When I put it to him that EP was a group of intellectuals, divorced from the masses in the neighbourhoods and development towns, he reacts scathingly.

"So what?" he demands. "All these years we were 'primitives.' We did not have any intellectuals—or our intellectuals all went to France and Canada. Now when we start to assert our identity, we are given the 'intellectual' label."

"Of course the founding group are intellectuals," interrupts Elbaz gently. "We are the ones who analyse the situation and draw conclusions, who take the lead. That is natural. But we already have neighbourhood activists with us and we will draw in the masses."

Shelley Elkayam notes that there has already been a terrific response

to EP from the neighbourhoods. When members of the board of governors of the Jewish Agency asked neighbourhood activists to give them a presentation of their problems, they were referred to EP.

"They accept us as their representatives because we are part of them," she maintains. "We don't patronize them or tell them what to say. We discuss with them as equals and listen." Peace Now has the best intentions, she adds, but their contact with the neighbourhood leaders has not succeeded because "they lack sensitivity."

CONCEDING that there is a genuine awakening in the neighbourhoods and development towns, I nevertheless challenge the commitment to peace and moderation, noting the immense popularity of Prime Minister Menachem Begin among the oriental Jews.

Daniel explains that Begin is perceived as a "warm, authentic, traditional Jew." He is a "father-figure" who replaces the traditional strong father who was "lost when most of us were integrated into Israeli society." Begin is also a representative outsider, an anti-establishment figure. When Begin slams the Labour Party, the Histadrut or the kibbutzim, he is "taking revenge" on behalf of all the underprivileged, Daniel says.

Bouganim disagrees. "No one ever complained when the orientals voted for Ben-Gurion," he notes. "Why is everyone jumping on us for supporting Begin? He has been prime minister only for six years. We've been here much longer than that." The oriental Jews, he concedes, have little preparation for democracy. Their natural tendency is to vote for the man in charge.

However, support for Begin does

not mean support for Jabotinsky, he says, and the Likud should take note of that. "I am sure I have read more Jabotinsky than most cabinet members," he smiles. "But he is irrelevant to me. What do I care about the clash between Labour-Zionism and Revisionism?"

It is all right to teach the ideas of Jabotinsky as part of Zionist history, he suggests, but his philosophy is meaningless to most Israelis today.

Zionism was a largely East European creation, notes Elbaz, but now Israel is moving into a new phase. "The Europeans are undergoing a crisis," he says. "Their dreams are shattered, they are tired. We never had the dream, so our batteries are still charged-up. They have never been used."

An entirely new approach is needed, stressed Jules Daniel, which would abandon outdated concepts. Ideas such as "left" and "right" are as irrelevant today as the terms "secular" and "religious."

"WE NEVER had such nonsense in Morocco," agrees Bouganim. "Some Jews were more observant than others, more learned in Tora studies, but we did not have this division, this fanaticism. The rabbis don't own Judaism. Our Judaism is a religion of the people. We don't think it should be taken over by anyone — either with a skullcap or without."

Oriental Judaism is far more tolerant, asserts Elbaz. One never hears of oriental Jews throwing stones at Sabbath violators. And Daniel adds that Gush Emunim is an entirely European phenomenon, which has taken the concept of European nationalism and planted it in Judaism. This sort of nationalist extremism is foreign to oriental Judaism.

"I am against Gush Emunim and its settlement policy for two reasons," he declares. "Both because it will lead to the uprooting of the Palestinians and because it diverts resources that are needed for social development here in Israel."

One of the movement's principles is *Ahavat Yisrael* (love of Israel or love of the Jewish people), explains Ami Bouganim. This means creating a just society in Israel; but it must also be just for the Arabs — the Israeli Arabs and the West Bankers. There had been a school of thought that the oriental Jews should concentrate on social issues and leave foreign policy and security matters aside, he notes. But EP has concluded that the issues are inseparable and that "all the flags must be raised together."

The state is not an end in itself, says Elbaz. The state is a means to an end, a means for the creation of a just society and the fulfilment of Zionism. When Defence Minister Moshe Arens spoke recently to the Jewish Agency, he listed the Merkava tank and the Lavie fighter as Israeli achievements. Elbaz sensed a disappointment among the delegates.

"Is this the limit of Israeli creativity?" he asks. Surely there are fields of achievement other than the military which should be stressed. Elbaz pleads for the abolition of the "Israeli pressure-cooker." The country should be allowed to relax and develop all its cultural trends.

ELKAYAM rails against all the political parties, which she says are not interested in the ordinary people. Had any of the parties shown appropriate concern over the doctors' strike? she asks. One party

seems interested only in Judea and Samaria and another party has its large economic interests — including interests abroad — and neither is interested in the day-to-day problems of the population.

On a recent visit to the Knesset, she was appalled at the low standard of young activists in both Likud and Labour. She does not support Tami, which she says has gone in the wrong direction, but she maintains that the young Tami activists are far more intelligent, dynamic and capable than those of the big parties. The big parties have their "token Sephardim," she says, which is worse than no Sephardim. She asks what Shoshana Arbeli is doing as number two on the Alignment list. This is sheer lip-service to the oriental Jews, she says.

EP distinguishes between what it calls "genuine oriental Jewish leaders," like Yitzhak Navon, David Levy and Tat-Aluf (Res.) Binyamin Ben-Eliezer, and "token orientals." The former won their positions because of real achievements, they say. They disagree politically with Levy, but respect him and want to open a dialogue with him. They point out that he was a voice for moderation in the cabinet during the Lebanon war and the only minister to express doubts about the Phalangists going into the Beirut refugee camps.

What about future political plans? Would we see EP as a Knesset-list? Ami Bouganim is emphatic that he is not a political animal. He has no appetite for public life, he says, and would not even agree to be photographed for this article.

However, he would be delighted if a political party were formed with the principles of EP. Elbaz notes that many ideological movements

have been founded outside the political framework. "We want to provoke a ferment," he says. "We see our task as ideological, spiritual and educational. The oriental Jews have been intoxicated and we want to de-intoxicate ourselves."

Elkayam, a former kibbutz member and member of the *Shdemot* circle, points out that the kibbutzim represent only 3 per cent of the population. The new centres, she maintains, are the former peripheries. Be'er Yaacov was once a *ma'abara* (transit camp); but today it is the home of Shlomo Bar, head of the *Habreira-Hativit* musical group, which produces "authentic, oriental Israeli music." Bar is a leading member of EP. Jerusalem's Musrara neighbourhood has produced two MKs and is a centre of social ferment. Beit She'an is the home of David Levy and therefore an important political centre. The country is changing, she says.

EAST FOR PEACE is still getting itself together. "We can't cure the mistakes of 35 years in one month," smiles Elbaz. The first step is to consolidate the university-based leadership, but simultaneously a comprehensive programme of parlour meetings in the deprived neighbourhoods and development towns is being organized. There have been requests to set up branches from Ma'alot in the north to Eilat in the south. The current nine-member executive of EP is made up of members from Jerusalem, Tel Aviv, Haifa and Beersheba.

The movement plans to hold regional conferences, leading up to a national congress in Jerusalem in the autumn. There they will reformulate their principles and elect a new executive. Contact with Israeli Arabs and West Bankers is also high

on their list of priorities. They are in touch with the Paris-based Identity and Dialogue, and one of their members, Shaul Tzadaka, a *Davar* journalist of Iraqi origin, has held a useful meeting with Egyptian Minister of State for Foreign Affairs Butros Ghali. In due course, they aim to hold an international peace conference to be attended by Israelis and Arabs.

Each new member of EP gives a small donation to the movement and this has financed their activities to date. They have hundreds of members — maybe thousands — but they say everything is developing too quickly for them to keep track. There is no ethnic barrier to joining EP and there are already members with names like Schwartz, Carmel and Rosenberg.

"You must get it into your head that this is something new," insists Elkayam. "*Kulanu mizrahim* — we are all orientals."

There was something optimistic about the east, she says, because the sun rises there. "Israel has been facing the west too long. It is time for a change of direction."

HOW SIGNIFICANT is East for Peace? A colleague points out to me that the late Eli Eliachar, a leading Sephardi figure in Jerusalem, used to say the same things about peace and about the oriental Jews being able to make contact with the Arabs. But Eliachar was a representative of the small Sephardi aristocracy, while EP represents the mass immigration of the 1950s, the "second Israel," which is at last starting to find its voice.

Only time will show whether we are seeing the emergence of just another marginal protest group, or a dynamic movement which will turn this country on its head. □

WOMEN'S ROLES IN IDF REVIEWED

Tel Aviv NEWSVIEW in English No 28, 19 Jul 83 pp 22-23

[Article by Ginni Walsh]

[Text]

Israel is the only country in the free world where 18-year-old women don army fatigues as naturally as their male counterparts. Military service is as much a part of life as attending high school and has been ingrained in the national consciousness since Israel's inception. Says Colonel Amira Dotan, chief of the Israel Defense Forces' Women's Corps: "For women, serving in the army is part of being equal in Israel. If women weren't obliged to serve, they wouldn't be equal."

While it is open to debate whether mandatory army service makes women equal to men in Israeli society, the popular image of the gun-toting female soldier is more myth than reality. Today's female draftee would more likely be found carrying a typewriter than a sub-machine gun. Says Knesset Member Shulamit Aloni, a champion of women's rights: "The army uses women as cheap labor. Most of them serve coffee to the men and do jobs that men don't want to do. And most of them, because of their background and education, are capable of doing much better."

The army may now be coming round to acknowledging Aloni's point. In the past two years, 500 new job descriptions have opened up for women soldiers, raising the total number of categories available to female recruits to 769.

Women In Battle Zones

The only jobs which women soldiers may not fill are those related to direct combat. This injunction is a continuation of longstanding Israeli policy, forbidding women to serve in front-line positions. Indeed, the IDF has been excessively sensi-

tive about women — in any capacity — entering battle zones. For example, it took a certain amount of pressure before Israeli female journalists were allowed to cover the war in Lebanon. In any event, national exigencies have created notable exceptions to this rule. Comments Dotan: "There have always been daring women in our history. And there have always been women confronted with the dilemma — 'if not me, then there's nobody'."

Seldom have women been confronted with this dilemma in recent years. They have more likely been in the wrong place at the wrong time. For example, the surprise of the 1973 Yom Kippur War caught large numbers of women exposed to enemy attack in the Sinai. Later on, several women officers received medals for their valor and leadership while under heavy bombardment.

The present situation in Lebanon could, inadvertently, place women in a battle zone once again. Several months ago, Dotan, to the chagrin of some Israeli feminists, requested that all women be removed from Lebanon. Said Dotan, "Women are not trained for battle positions and I don't believe they should be in battle zones until they are trained for it." For the time being, however, women are still serving in Lebanon, predominantly in secretarial and service occupations.

The Lebanon situation typifies the function of women in the army: their role is to free men for combat. Yet it's unlikely that many women would opt for battle positions, even if they were available. Career soldier Major Irit Atzmon, of the IDF spokesman's office, probably

best represents popular opinion when she says: "If there's such a danger to our existence, then, O.K. But you have to think of what battle means. Women would have to be going into the reserves all the time. What would happen to children with both parents fighting?" Echoing a question that has been asked over the years, she inquires, "And what would happen to women soldiers captured by the enemy?"

Combat aside, there are other disparities between men's and women's military service. Women serve two years in the army compared to the three years demanded for men. Only single women up to the age of 24 are expected to fulfill the obligations of reserve duty. Men, regardless of marital status, are reservists until age 55. Very few Israeli men never serve in the army. However, about 40 percent — a figure, which Dotan says has remained stable over the years — of the female population does not serve. These women are married or exempt for health or religious reasons.

Women constitute about 10 percent of the military's professional staff. Four percent of these women are high ranking officers. However, colonel is the highest rank available to a woman.

Paradoxically, while they themselves are limited, women train men whose careers are potentially unrestricted. Two years ago, women instructors began teaching basic training to both sexes as well as armor and artillery combat training. To the amazement of many skeptics, women have proved highly effective in preparing their male colleagues for combat. Says Dotan: "The atmosphere is definitely better when a woman is training. The men are calmer and more disciplined when a female soldier is teaching. The women handle problems well and it shows."

Women soldiers are also conspicuous in non-military occupations. The army arranges for them to teach in development-town schools that have difficulties in attracting professional teachers. They also work in hospitals and institutions for the disabled that are suffering from staff shortages.

Education Programs

In addition, the army itself functions as a social-service institution for the benefit of many draftees, male and female alike. The army designs programs for delinquent and poorly educated young men and women. Dotan recalls: "In 1978 we only took youngsters who had

finished at least two years of high school. But the effects were disastrous for the kids and the families of those who were not taken. It was a hard blow and an enormous disgrace to them. Not serving in the army can haunt you for the rest of your life in Israel."

In essence, by teaching employable skills and/or assisting young people in finishing their high-school education, the army offers a last chance to marginal youth and helps them avoid the slippery slope of deviancy.

The Israeli army has also long been seen as a social leveler for men; a commonly shared experience regardless of class or ethnic origin. As such, it has become a tool for integration in a country populated by immigrants from a wide variety of cultural backgrounds. The power of this tool for integrating women in their thirties and forties was graphically illustrated in one of Israel's development towns.

In the town of Beit Shean, a special reserves course for women, most of them mothers of six or more children, was launched as a prototypical experiment. These women had never served in the army nor had they integrated well into Israeli life. For the first time in their lives, they learned how to handle guns, provide medical care, and man bomb shelters.

They also learned to take pride in their new skills and respect the army uniform and what it symbolizes. However, Dotan is even more sanguine in respect of the broader results of this experiment. She notes: "Through their pride, they're teaching their children what citizenship in Israel means."

Through their different job capacities, women soldiers are effecting and molding attitudes within communities. Although they are predominantly found in service roles in the military, their numbers are increasing as trainers, technicians, electricians and medical personnel. But unofficially, the most onerous of tasks has fallen to women. Says Dotan: "Whether in peace or war, women are usually the ones to work with families in trouble. Whether a stereotype or not, the women are generally more sensitive. I have often seen and heard of female soldiers visiting the families of young men who have been wounded or fell in battle. It's not their official job, and it's not that they have been trained for this. Rather, being that the soldiers in question came from their units, they simply felt that it was their

duty and responsibility to be with the families."

Undoubtedly, Israel's recurrent history of military struggle has created the greatest distinctions between male and female soldiers. "Parents are more worried about a boy in the army," Dotan points out. "He may be on the front line. The greatest risk is his." On the other hand, the military is a sophisticated complex which needs more than soldiers to function. In this respect, Dotan stresses the indispensability of women soldiers. "Israel is different from other countries. The Jewish people are so small in number. That makes our young women very important to the country."

CSO: 4400/459

ENEMY CEMETERY REVEALED; MASS-GRAVE CHARGE DENIED

Jerusalem THE JERUSALEM POST in English 20 Jul 83 pp 1, 2

[Article by Robert Rosenberg, Menahem Horowitz and Joshua Brilliant]

[Text]

GESHER B'NOT YA'ACOV. —

The bodies of dozens of Syrian, Lebanese and Palestinian troops killed in the Lebanese war are buried in shallow graves near here. Forty-four of the graves are marked, but dozens are not.

The IDF made this disclosure after charges were made that Arab terrorists killed by Israeli troops are buried in unmarked mass graves.

IDF sources say that the Army Chaplaincy Corps, responsible for burials, has the names of the 44, and that the remaining graves contain unidentified bodies found in places such as the Beaufort Castle.

Under the Geneva Convention, it is forbidden to bury people from an occupied territory in the territory of the occupying power.

The cemetery, not far from the Arab village of Touba, is overgrown with weeds and thorns. The graves are marked by short metal posts and by tree branches.

IDF sources say it was most recently used a month ago to bury a prisoner, killed in escape attempt at the Ansar detention camp.

His family asked via the Red Cross for the body to be sent home to Syria and this was done.

A visit to the site yesterday by *The Jerusalem Post* showed that at least six graves had been dug recently.

The existence of the cemetery

was revealed yesterday during a press conference in Jerusalem, in which U.S. freelance journalist Tamara Kohns alleged that she had discovered "mass graves."

The press conference included colour photographs of the site, and she displayed surgical gloves, a blood-stained sheet marked "Health Ministry," and a used flare, all of which, she said, she found at the site.

Kohns said she had not approached the IDF spokesman for fear that the army would close the area to visitors.

Also at the press conference was law professor Geraud Delapradelle of the University of Nanterre, who runs an information centre on Lebanese and Palestinians missing since the war. He said there were "thousands" of missing Lebanese and Palestinians, adding that Israel, as occupying power, is legally responsible under the Geneva Convention for residents in areas it controls.

According to Delapradelle, prisoners have been taken from Ansar to Israel, "but not all have returned to Ansar."

Press conference organizers Lea Tsemel, Raya Rotem and Judd Ne'eman all stressed that they were not drawing a direct link between the graves at B'not Ya'acov and the

missing Lebanese residents.

The Israeli Defence Forces spokesman yesterday confirmed that enemy fighters had been buried near the B'not Ya'acov bridge.

He said the cemetery contains the bodies of Syrian soldiers killed in previous wars and others killed during and after the Lebanon war.

According to the spokesman there are 44 bodies in separate graves. Two graves contain the partial remains of more than one person. These could not be identified.

The Jerusalem Post learned that some of the unidentified bodies were found inside badly burned armoured vehicles.

The spokesman, quoting army chaplaincy accounts, said 20 of the bodies in the cemetery are those of Syrian soldiers. The others are detainees and terrorists who had died in Israeli hospitals or who had undergone post mortems.

All the graves are marked and, the army says, it has complete records. The names of the people buried there are given to the Red Cross and other international organizations.

For every burial religious rites are performed, in accordance with the Geneva Convention, and the army chaplain's standing regulations, the spokesman added.

He said the cemetery was in poor condition because the IDF and Kibbutz Gadot had long disputed ownership of the land. As long as the matter was in the courts, the IDF did not want to invest money in it. However two months ago the area was finally declared a military zone and work is under way to prepare an orderly site, he said.

CSO: 4400/458

BERYLLIUM PROCESSING PLANT POSSIBLY DANGEROUS

Jerusalem THE JERUSALEM POST in English 15 Jul 83 p 3

[Article by Charles Hoffman]

[Text]

The dangers of the beryllium-processing plant planned for Yehud have been exaggerated, the spokesman for the Israel Aircraft Industries said yesterday.

He criticized "misleading" reports about the dangers of clouds of poison gas emanating from the plant that would harm the population in the centre of the country.

The Tamam (Precision Instruments Industry) plant in Yehud, a subsidiary of the IAI, plans to start processing beryllium in the next few months. Beryllium is a light, heat-resistant metal with great strength that is used in precision instruments in the aerospace industry and for sensitive parts in nuclear reactors.

The spokesman said that the main dangers to worker safety and to the environment from processing beryllium appear in the refining and milling stage, when small particles are produced that can be inhaled as dust and vapours. This can cause severe damage to the respiratory tract.

He said that the beryllium will arrive in Israel, after initial processing

abroad, in the form of metallic rods to be machined by Tamam. The particles generated by this process will be too big to be inhaled, he said.

The Defence Ministry has set up a special committee to make a final decision about setting up the beryllium facility at Tamam, he said, adding that a representative of the Health Ministry, Dr. Shmuel Brenner, will examine all safety and environmental aspects with the help of Israeli and U.S. experts.

He quoted Brenner's statement that "the plant can be set up without endangering the workers or the population in the area," as long as the IAI maintains the safety measures proposed.

Among these measures is an air-filtration system that removes harmful substances from the air in the plant before it is released into the atmosphere. There will also be a monitoring system for emissions from the plant.

There are no safety problems in transporting or storing the metal, the spokesman said.

CSO: 5000/4533

DYSENTERY FROM DRINKING WATER

Jerusalem THE JERUSALEM POST in English 14 Jul 83 p 3

[Text]

Bad drinking water causes thousands of cases of dysentery each year and the problem is growing, the Knesset State Control Committee was told yesterday.

Dr. Uri Marinov, director of the environmental service at the Interior Ministry, said the facts are kept from the public because the Health Ministry stopped publishing reports on the quality of drinking water in 1980.

Prof. Baruch Modan, director-general of the Health Ministry, said the IS800 million which the government budgeted to improve the quality of the Kinneret are still being withheld by the Treasury.

More than 4 per cent of the water tested annually throughout the country reveals signs of bacterial pollution, a senior Health Ministry sanitary engineer told *The Jerusalem Post* last night.

The tests are used to determine the presence of E-coli, a harmless bacillus whose presence indicates pathogenic organisms may also be in the water, he said.

The major problem is not the discovery of high bacterial levels during initial tests, but the faulty treatment of the affected water that leads to recurrences of the pollution, the official said. The ministry is responsible for conducting the laboratory tests and making their results known to the settlement and local authorities, who must then take appropriate steps.

As for the decision to stop publishing the lab reports three years ago, the official noted that the labs had been releasing raw data which did not take into account the large number of samples taken at the same locations. The labs also tested water that was not intended for drinking, without always being aware of the source of the water sample.

The reports therefore did not reflect the true quality of drinking water, and the distortions only served to create anxiety, he said. The ministry has taken no decisions to resume publishing reports on water quality.

CSO: 5000/4533

BALLOON, POSSIBLY FROM CHINA, LANDS AT MOSHAV

Jerusalem THE JERUSALEM POST in English 11 Jul 83 p 3

[Article by Michal Yudelman]

[Text]

GANOT. — A large balloon, which appears to have come all the way from Taiwan, landed at this moshav early yesterday morning.

Police were initially baffled, but press clippings and anti-Communist slogans in Chinese found on the balloon indicate it was launched from Taiwan, Nationalist China, according to Rishon Lezion police commander Pakad Ya'acov Shoval.

The balloon — some 18 metres in diameter — landed after midnight Saturday on the treetops of the moshav just off the Tel Aviv-Jerusalem highway. Armed residents swiftly surrounded it. Fearing some kind of terrorist act, police and Border Police, headed by Shoval, arrived on the scene and cleared residents from the area. A police sapper examined the balloon.

Preliminary examination ruled out terrorist or criminal activity, or the possibility that a person could have "ridden" the balloon. Coastal Plain police sub-district spokesman Pakad Johnnie Tester said.

In sacks and packages attached to the balloon, police found underpants, a vest, a towel, a medallion, a key ring, a water container surrounded by synthetic foam, newspaper clippings, photographs of two smiling men and an object with

burned wires sticking out of it. Each object was individually wrapped and had Chinese slogans written on it.

The balloon was taken to the Rishon Lezion station. A Chinese-speaking man from Taiwan was located to translate the writing. According to the translation, the picture showed two Chinese pilots who had deserted China and reached Taiwan via Japan. The clippings, taken from Taiwan newspapers, described the pilots' escape, and the slogans blasted communism and said how good life was in Taiwan. The objects attached to the balloon were a gift to anyone who found them, according to the writing on them.

Tester said the arrival of the balloon in Israel — if it floated here by air — was a mystery, since it was made out of thin nylon which normally does not last long. Police are checking the possibility that the balloon was part of an advertising gimmick, he said.

When asked whether the balloon could have penetrated Israel's air space without being spotted on the radar screen, a military spokesman said there was no confirmation that the balloon had floated into the country.

BRIEFS

MILITARY ADVISERS IN CHINA--There are some 200 Israeli military advisers in China according to the V.S.D. published in Paris. The French weekly magazine in its current issue says the Israelis are there as part of an agreement between Israel and China. V.S.D. adds that Israel has acquired a reputation for expertise in Soviet weapons, especially since the launching of Operation Peace for Galilee last year. Israel is also reported to have offered better terms in helping to modernize China's weaponry than other western countries approached by the Chinese. The bilateral agreement is said by the magazine to include provisions whereby Israel would see sell the Chinese Kfir planes and Merkava tanks. Meanwhile the Chinese embassy in Kuwait denied any military cooperation between China and Israel. [Jerusalem THE JERUSALEM POST in English 24 Jul 83 p 2]

TANK ANTI-MISSILE DEVICE--A top-secret Israeli invention significantly lessens the damage done to tanks by anti-tank missiles, according to an article which appeared this week in the West German weekly Stern. Israel reportedly places iron boxes filled with explosives toward the front and on the sides of its tanks. These devices explode when hit by anti-tank missiles, and the explosion prevents the missiles from penetrating the tanks' armor. Stern further reports that France and West Germany are experimenting with similar systems, but that the Israel Defense Forces already used its innovation last summer during the Lebanese War--a factor accounting for Israel's loss of only 60 tanks compared to Syria's loss of 600 tanks. [Tel Aviv NEWSVIEW in English No 26, 5 Jul 83 p 34]

NEW ARAVA LOOKOUT POSTS--Three new lookout settlements are to go up in the Arava. The joint settlement committee of the government and the World Zionist Organization yesterday approved the establishment of the settlements. The three settlements will be Mitzpe Shahrut, west of Yotvata, Mitzpe Sayarim, west of Bikat Sayarim, and Mitzpe Shita, south of Nahal Hayun, all in the southern sector of the Arava. [Text] [Jerusalem THE JERUSALEM POST in English 11 Jul 83 p 3]

CSO: 4400/439

BUDGET REFLECTS ECONOMIC POLICIES

Kuwait ARAB OIL in English No 8, Aug 83 p 20

[Text]

Kuwait's budget is a reflection of its economic, financial, social and cultural policies within the framework of a one-year governmental program.

The Kuwaiti budget constitutes a high percentage of the domestic production and the public revenue reflect the government's ability to achieve its financial and national objectives, while the public spending is, to a large extent, controlling the functioning of national economy with all its different fields.

A special report on the recently approved budget prepared by KUNA says that the Kuwaiti financial system is based on the budgets of each ministry in addition to the budgets of the National Assembly, Kuwait Municipality, the General Board for the South and the Arabian Gulf, Kuwait University and the Public Housing Authority, which practise distinguished activities and are not entirely independent.

The general budget also includes ten independent budgets of ten independent institutions including Kuwait Central Bank, Kuwait Fund for Arab Economic Development, Credit and Savings Bank, Kuwait Airways Corporation, the general administration of Shuaiba Industrial Area, Kuwait News Agency, General Institution for Social Security, Ports Public Authority, Kuwait Institute for Scientific Research and Kuwait Oil Corporation.

The budget was ratified by H.H. the Amir last June 25 for the fiscal year 83-84 in which the revenue were estimated at \$10.9 billion while the expenditures were expected to reach \$11.9 billion.

Deficit

In the economic and financial statement on the fiscal year 83-84, read by the Finance and Planning Minister, Abdul Latif Al Hamd at the National Assembly last May, the minister expected that the budget deficit would continue for the few upcoming years.

Efforts are being made to bridge the gap between spending and revenues. A need for guiding the public spending had emerged with the aim of achieving the best economic and social results possible.

The guidance policy began as of the fiscal year 82-83 and is being effectively applied on the budget of 83-84 and the upcoming fiscal years. This policy is likely to stipulate restriction on extending unnecessary services and re-evaluation of systems of public spending with the aim of eliminating former trends which proved to be valueless.

The improvement of the efficiency of the governmental administrations and the development of certain services necessities that those services be transferred to the joint private-public sector while at the same time the equivalent governmental services should be reduced, the report said.

A diversification and increase of revenue sources should be introduced through comprehensive studies and research works on those resources, the report said.

Investment

The report said that the second source of revenue in Kuwait which is foreign investments, will substitute oil revenue as the main source of revenue, but it is subject to fluctuations.

A non-oil internal sector should be built as a substitute and supplementary to the oil sector, the report said adding this should be based on the diversification and expansion of

productive and investment grounds in the industrial field.

Protection is also needed to back the national industries to enable them stand competition until they reach maturity stage but the continuous subsidy and protection are valueless burdens on the economy, the report noted.

The report called for the introduction of a just taxation law not only to increase the governments declining revenue, but also to secure the participation of individuals.

The governmental spending is expected to continue its positive impact on the domestic liquidity during 1983, but at lower levels than that of 1982. According to 82-83 budget, the general expenditures reached \$11.1 billion while the budget for the fiscal year 83-84 is put at \$11.9 billion.

It is expected that exports would decline by 2.2 percent while imports are likely to increase by 5 percent compared to the figures of last year, the report said.

The expected drop in 1983 trade balance is likely to reach \$4.3 billion compared to \$5.7 billion last year, it added.

Oil production

It is not likely that the government would introduce any change on the 1.25 million bpd

oil production ceiling in 1983 because the output policy in Kuwait is linked to the overall economic strategy of the country and the government had decided in 1981 to abide by that ceiling for the next four years, the report said.

Nevertheless, maintaining that crude oil production ceiling is largely dependent on the situation at the international oil market during 1983 and the resolutions of the Organization of Petroleum Exporting Countries (OPEC) on quotas of production for member states.

It is not also likely that oil prices would increase this year in light of the prevailing situation at the international oil market marked by a fluctuation in demand and continuous increase of surpluses in addition to the deterioration in OPEC status at the international oil market and its inability to make changes on prices when inflation rises in the industrial states or when the US dollar devalues, the report said.

The report added that despite the expected decline in the prices of Kuwait oil exports during 1983 by 13.3 percent compared to the prices last year, there are indications that oil revenue would attain the level of last year which reached \$9.7 billion.

CSO: 4400/457

ENERGY OFFICIAL VIEWS OPEC'S SPOT MARKET ROLE

Kuwait ARAB OIL in English No 8, Aug 83 pp 15-16

[Text] **T**he Organisation of Petroleum Exporting Countries (OPEC) should act to reduce the role of the spot market in international oil trade and work with the major oil companies to maintain the real level of oil prices, according to a leading Kuwaiti energy expert.

Dr. Youssef Sulaiman Fadel Al-Sabah, chairman of the Gas and Petroleum Studies Company of Kuwait, told participants at a top international oil conference that the spot market should be reduced to around five per cent of total world oil trade, and act merely as an indicator of demand and supply imbalances.

At the moment it was a highly destabilising influence because it accounted for up to 60 per cent of the market at any one time, he added in a speech to the conference on "the outlook for oil prices," organised by the Financial Times news paper.

He warned that the "determination of the crude oil market" was getting increasingly out of OPEC's hands and that a "survival strategy" for the group was needed.

OPEC's own long term strategy, which was drawn up in the late 1970s but never implemented, was a "fantasy" and based on totally incorrect assumptions and premises about future energy developments. Dr Al-Sabah commented.

Some OPEC countries had helped boost spot sales by their own actions and so added to "fragmentation" of the market.

They should instead have aided its "concentration" by forming an alliance with the

oil companies, Dr. Al-Sabah went on to say.

Strategy

"A new rational and tactical strategy is needed to save the present situation from deteriorating even further," and this would be done by reducing size of the spot market.

An indication of the problem facing OPEC was that its share of total non-Communist world oil production had fallen from some 60 per cent 10 years ago to 35 percent now, and could go down to 25 per cent by the end of the current decade, he said.

The effect of this on OPEC members would vary according to whether the country was a "capital surplus" or "capital deficit" one, he added.

"But if oil prices are to be maintained at their present level, or real level, for a long time, cooperation with major oil corporations is not only necessary but essential," Dr. Al-Sabah pointed out.

This cooperation would be firstly based on long-term marketing contracts of crude and products, in turn based on the joint-venture principle, he explained.

"Unless this is done, the oil business will be more governmentalised and less commercialised, more fragmented and less concentrated and if continued, will destroy the structure of the oil market."

Failure to pursue this policy could also mean that many of the refineries and petrochemical plant being built in OPEC countries would turn out to be "white elephants," he concluded.

Stability

OPEC Deputy Secretary General Fadhil Al Chalalbi said it was high time non-OPEC exporters took up their share in maintaining

market stability.

Without sharing the burden, the world energy situation "cannot be brought into balance," he added.

The deputy secretary general, who spoke on "OPEC expectations to 1985," said 18 months from now was too short a period to bring about any significant changes in the structure of the present world energy relations and in the position of OPEC.

He said the problems which OPEC members were currently facing were mainly the result of a 10-year process of structural changes that could not be reversed in a short period of time.

He warned that any weakening of the oil price structure would "not serve the long-term objectives of protecting the huge exploration and development investments necessary to maintain production levels."

Al-Chalabi said the focal point of OPEC's current problems was the persistent fall in world demand for oil since 1980.

Futures market

Simon Cowie, Energy Products Manager for Merrill Lynch Commodities told the conference that OPEC was not likely to be displaced by the oil futures markets as setter of world oil price, as long as it remained a substantial exporter.

He, however, expressed the belief that future quotations would have a significant influence on OPEC decisions over the next decade.

"OPEC has always been responsive to the spot market, and the existence of excess productive capacity will reinforce this," he observed, adding that the futures markets were now the clearest and most reliable in-

dicators of spot and, for that reason, would form part of OPEC's decision-making process.

Cowie said oil futures would not replace the physical spot market, pointing out that oil would always need to be moved and the "detailed problems of quality, location, timing and payment terms," would need to be resolved. These problems, he said, were of complexity far beyond the scope of standardised futures contracts.

He said it was difficult to determine if futures markets made oil prices more volatile. Even though the oil market had become much more volatile in the past few years for reasons unrelated to the futures markets, "my view is that the futures markets tends to make prices volatile in the short term and less volatile in the medium and long terms," he added.

Attraction

Cowie explained that oil traders were attracted to the futures markets for a number of reasons. "The security of a futures market is better and is less likely to meet with default, and the markets' liquidity assures the trader that he will never be caught with a theoretically profitable position that he cannot liquidate as can happen in the physical market."

He also pointed out that traders could use the futures anonymously to their advantage.

Jaiyeola Lew, counsellor for economic affairs at the Nigerian High Commission in London said: OPEC should change its oil marketing strategy from crude to petroleum products sales, leaving residual oil for exportation.

CSO: 4400/457

PETROLEUM DEVELOPMENT OMAN PLANS TO EXPAND FACILITIES

Muscat OMAN DAILY OBSERVER in English 20 Jul 83 p 7

[Text]

PETROLEUM Development Oman are preparing for a major effort to expand facilities for the late 1980's, says managing director Hans Brinkhorst, describing it as "a major new challenge" but feasible within existing budgets and manpower levels.

Rima will be the major producer in the South during the 80's, and the largest new investment and engineering activity will be the up-grading of the main oil pipeline.

Details of the company's future plans and objectives were announced by Mr Brinkhorst, technical director Mike Pink and exploration manager Han Varenkamp, who went over the plans drawn up at this year's programme discussions in The Hague.

These annual discussions — between PDO management, Shell Internationale Petroleum, who are the company's technical advisers, and shareholder representatives — draw up operating programmes on the basis of objectives laid down by the PDO Board of Directors, who then consider the plans at

their mid-year meeting.

Mr Varenkamp, addressing senior staff, said top of last year's exploration achievements was the discovery of the light oil field at Sayyala near Haima, which opened activity in an area of the concession in which PDO previously had little success.

There had also been considerable success in finding oil in the Nimr/Runib area of the South Oman Salt Basin.

The major task now, he said, was to explore in the area of the new light oil finds.

Mr Pink, describing production plans, said in the North the effort had been concentrated on upgrading facilities in the older oil fields and in dealing with associated gas. This activity was nearing completion.

The main drilling activity in future, he said, would be in Yibal where the water injection scheme was being expanded.

In Fahud, there would be some drilling activity as part of the changeover to gas injection.

There would also be some activity in Lekhwair where a pilot water injection scheme would be installed.

In South Oman, he said, the major drilling effort would be in Marmul, and also in Suwaihat and Sayyala.

There would be considerable engineering effort in Marmul, he added, in connection with the new "E" gathering station and the steam injection and polymer enhanced oil recovery pilots.

NEW AMBASSADOR COMMENTS ON TIES WITH INDIA

Muscat OMAN DAILY OBSERVER in English 28 Jul 83 p 2

[Text]

THE CENTURIES old political and economic ties between the Sultanate and India will scale newer peaks in the coming years, feels the new Indian Ambassador in Muscat.

One thing which particularly stood out about the relations, pointed out by Dr Ishaque Ahmed Sajjad (pictured right), was that they had been smooth throughout, free from any kind of hitches whatsoever.

Besides, Dr Sajjad said, the policies the two countries had taken on most international issues had been quite identical.

The new Indian envoy arrived here on Monday. He succeeds Mr K.C. Lalvunga.

Speaking to the "Observer" yesterday, Dr Sajjad, 52, said his country accorded "utmost importance to relations with the Gulf States." As the new head of the non-aligned movement, Prime Minister Indira Gandhi had been "very active and enthusiastic about building up close contacts with the rulers of the Gulf countries," he added.

Before his new assignment, Dr Sajjad was working on the West Asia and North Africa Region desk of the Policy Planning wing of the Indian External Affairs Ministry in New Delhi. He has also worked as adviser to the Indian mission to the United Nations in New York and with the India's Embassy in West Germany.

A Ph.D in international law from Bonn University, Dr Sajjad passed his Master of Arts and Law degrees from Aligarh Muslim University in Uttar Pradesh State, to which he belongs. He joined the Ministry of External Affairs in 1957.

Dr Sajjad said he had brought with him personal greetings to His Majesty Sultan Qaboos from President Zail Singh of India.

He praised the efforts being made by His Majesty's Government to raise the standard of living of its people.

In this context, the Indian envoy said the scope for further expanding trade relations between the two countries was immense. The prospects for setting up joint ventures in either countries were also bright.

India could play a significant role in assisting in the economic development of the Sultanate, especially through the supply of technical and non-technical manpower, Dr Sajjad said.

Another sector where India and Oman could co-operate gainfully was agriculture. India had made great strides in agricultural research and her scientists could contribute significantly to the Sultanate's drive to step up its farm output, Dr Sajjad added. "The climatic and geological conditions prevailing in Oman are very similar to that in Rajasthan," he pointed out.

The Ambassador said he would strive to sort out the problems faced by Indians in Muscat with regard to the facilities at the embassy. A larger place to house the embassy would be top on his priorities.

Dr Sajjad planned to hold discussions with officials of the Ministry of Social Affairs and Labour on difficulties that confronted Indian labourers. Some kind of a body represented by the Ministry and the Embassy, he felt, was the answer to the problem.

Dr Sajjad, who has a working knowledge of Arabic, is married with four children. Mrs Sajjad will join him in Muscat shortly.

CSO: 4400/464

SOAF BOASTS NEW, AIRBORNE FIRE FIGHTING VEHICLE

Muscat TIMES OF OMAN in English 21. Jul 83 p 13

[Text]

The Sultan of Oman's Air Force has scored a world first with the deployment of a fire-fighting vehicle which can be carried in a plane.

The four-wheeled Air Transportable Crash Tender was made by Chubb Fire of Britain and brought to Oman by Technical Trading Co., Darseit.

The camouflaged vehicle which can shoot a jet of foam over 100 metres was officially handed over to the Air Force at Thumrait on Tuesday.

Wing Commander Mike Richards and chief fire officer John McCambley accepted the machine from a Chubb engineer and Mr Arif Hafiz, general manager of Technical Trading.

The Chubb representative will remain in Oman for a while to demonstrate the vehicle's capabilities.

"Obviously we are very pleased with the contract," said Mr Hafiz. "It is

certainly our best this year and we understand that the Air Force are much impressed with it. All eyes will be on Oman now as this will be a testing ground for the rest of the world."

The emergency vehicle is 6,000 kg lighter than a standard fire-fighter and very streamlined so that it can glide smoothly into the cargo hold of Oman's Hercules C 130 aircraft.

It can carry a crew of three, 1,000 gallons of foam, water, hoses and rescue equipment.

Technical Trading have imported smaller Chubb vehicles for the Port Authority which are already in use. They also specialise in extinguishers for home and office use and smoke and fire detectors.

"But this vehicle is unique," said Mr Hafiz. Many attempts have been made to produce one before but this is a break through."

CSO: 4400/464

WHO TO LAUNCH INTENSIVE HEALTH PROGRAM

Muscat TIMES OF OMAN in English 28 Jul 83 p 2

[Text]

Muscat's new World Health Organisation representative is to forge ahead with an intensive programme in the Sultanate as part of the organisation's "Health For All by Year 2000" pledge.

Working closely with the Government Dr Pier Luigi Giacometti will maintain health projects already underway in Oman and introduce others.

Dr Giacometti, originally from Italy, moves to the Sultanate after five years in Pakistan working for the organisation. He has 30 year medical experience and has specialised in tropical medicine and communicable diseases.

He has presented his credentials to the Minister of State for Foreign Affairs. His predecessor, Dr Paltrinieri, remains in a consultative capacity.

At a press conference Dr Giacometti explained that Oman was one of 158 member states of WHO and the Sultanate could expect an estimated budget of 864,600 dollars for development projects next year.

Among the health projects planned for Oman shortly are the provision of fellowships for suitable candidates to study medicine, an intensive training programme to maintain the remarkable success of the prevention of blindness project, and the arrival of consultants to pass on knowledge on TB, malaria and other diseases.

In August there will be a course for 20 senior level managers on the dangers of diarrhoea, which has a high mortality rate

among children under five.

In November, there will be a joint programme and policy review featuring a visit from WHO's Regional Office in Egypt - part of an attempt to standardise practices and avoid wastage throughout the Eastern Mediterranean countries.

In December there will be a conference on the safe use of pesticides, followed by another on control of effluent.

Dr Giacometti, whose official title is WHO Representative and Programme Co-ordinator, has a four part duty in Oman. To provide the Government with information and explanation concerning the policies of WHO's three governing bodies, to support the Government's health programmes, collaborate to find profitable joint activities and to help identify possible external resources.

Explaining that health was no longer just a question of prevention and cure, Dr Giacometti added that promotion and rehabilitation were also important.

"Health education is not just for remote rural villages it is an urban reality," he said, "We have to train and draft a programme. Much more is needed."

He paid tribute to the pioneering work done by his predecessor.

PEOPLE'S COUNCIL DISCUSSES WASTE, LAX WORK HABITS, RED TAPE

Damascus AL-BA'TH in Arabic 21 Jun 83 p 5

[Article: "The People's Council Demands That the Phenomenon of Waste and Red Tape Be Dealt With"]

[Text] The internal regulations in effect in every office should be revised.

The national motto for everyone should be:
"Let's get rid of waste and red tape."

Waste is considered to be one of the most importance phenomena affecting production and life in our country. In view of the seriousness of this phenomenon, our government became concerned with it 2 years ago and formed a committee to study waste and to establish guidelines for dealing with it. However, these measures have not resulted in any significant progress. Even though a great deal of attention has been devoted to this phenomenon in the media, things have nevertheless reached the point where waste constitutes a grave sickness which now actually requires a rapid cure. Recently the People's Council joined the ranks of the government bodies concerned with the problem of waste and red tape and formed two committees--one to study the phenomenon of waste, and another to study the problem of red tape. The first committee is chaired by the secretary of the People's Council, Nazim Qaddur, and the second committee is chaired by Salah Darwish. The members [of the two committees] are the following persons: Hajir Sadiq, Hamid Hasan, Yasin 'Ankah, Mahmud Salamah, Karam al-Khuri, Hilal al-Sa'udi, and Ghazi Juraydah. The task of the first committee is to study the problem of waste. The two committees have already submitted a combined report which last week was discussed by the People's Council.

The report does not deal with these problems in detail, nor does it give clear examples concerning them. The reason for this is that the basic effort in the report was in the direction of making an investigation, broaching the subject, and promoting the idea of creating a higher feeling of responsibility on the part of all government organizations with regard to this phenomenon.

I. The Concept of Red Tape and Some of Its Manifestations

The expression "red tape" is generally understood to mean slowness, delays, and negligence in getting a job done as well as the creation of complications by some employees in government offices and organizations--and even downright obstruction sometimes--in one form or another. This is something which has impelled our citizens to gripe and complain about red tape.

The fact is that this slowness, these delays, and this obstruction in the way of getting a job done are merely the most prominent manifestations of the deficiencies which exist in the work done in most of the government sectors. This particularly applies to the government's administrative sectors. By "administrative sectors" we mean the entire structure of the apparatus of the various ministries, offices, and departments which operate by means of the legal actions and daily administrative measures [put into practice by] those who work in them.

The source of the complaints is the deficiencies and defects which are deeply rooted in the structure of this administration. For this reason, we are able to say that the administrative problem is the basis and cause [of the overall problem]. If we had a sound administrative structure which were free of all of these defects and deficiencies, red tape would then amount to nothing more than strict guidelines utilized by the administration to assure itself of proper performance on its part.

Quite often people confuse the basis of a problem with the consequences resulting from it. Sometimes we are no longer able to distinguish between the cause of a problem and its consequence, nor are we able to distinguish between the problem's origin and a complication thereof. This is something which keeps us from being able to make a sound and comprehensive diagnosis of the deficiencies and prevents us from gaining a comprehensive view of our problems in the realm of administration and other work that is done. Unless we are able to make such a diagnosis and gain such a comprehensive view, we will be unable to come up with appropriate solutions and the cure necessary for the problem.

The phenomena of intercession on behalf of others and the making of exceptions are both nothing more than different stages of a sickness which has been gnawing at the body of our administrative apparatus for decades. Curing this illness might require some time. However, as they say, in order to travel a road which is 1,000 miles long one must take the first step. Although we recognize that these phenomena are like parasites [in our administrative apparatus], this does not necessarily mean that they are phenomena which are cancerous and fatal. Making exceptions, in some cases, might be a phenomenon which is beneficial if it allows the administrative apparatus to avoid becoming entangled in the procedures which the administrative apparatus originally established for itself. It could make exceptions in cases where such exceptions are required due to the public interest or public welfare rather than due to the interests of any particular individual. Also, the objective of intercession on behalf of others is sometimes to

achieve a temporary solution for a particular citizen which allows a government official to avoid the entanglement of complicated procedures and regulations. However, the important thing which we all agree on is that this phenomenon of making exceptions should not become a general practice and the phenomenon of intercession on behalf of others should not become a feature of the everyday practice of our administrative apparatus. If this happened, we would be eliminating the role played by laws and we would be returning to the age of tribalism and feudalism. In addition to this, some of our [administrative apparatus] employees sometimes neglect their job, refrain from performing their job, and lack the self-confidence necessary to do their job. This leads them to avoid taking responsibility and, in the final analysis, to take bribes and be negligent on the job. We all know how the paper work proceeds. Many signatures are required and the papers circulate slowly, even within a single office, because of the indifference which some employees feel toward the interests of our citizens who quite often spend a lot of time and energy to accomplish whatever it is that they have to get done in the government offices.

II. The Causes of These Phenomena

The deficiency which we are complaining about is not something which arose accidentally and overnight. It is something which is attributable to deeply-rooted historical, economic, cultural, and social factors. How can we interpret any of the phenomena which we have mentioned without making a study of the factors involved and creating appropriate solutions to keep these phenomena from continuing and then eliminate them? These phenomena are phenomena which have been accumulating since olden times and are the result of various systems and procedures which have been followed since then. In order to begin to effectively deal with this problem, we must first familiarize ourselves with the problem's long-term causes.

This deficiency unfortunately is akin to being a general [nationwide] deficiency and, as such, reflects our [general] emotional behavior. Our employees are merely taking their everyday behavior and ways of dealing with people outside the job and transferring this very same behavioral pattern to their job situations or to whatever functions they are exercising [in the government].

III. Dealing With the Problem

Dealing with these deficiencies, some of which we have pointed out, will require tireless and persistent labor, great sacrifices, and comprehensive and intensive scientific studies of all of the historical, social, cultural, and economic aspects of the problem. It will necessitate the participation of a number of organizations, and the services of experts and specialists will have to be drawn upon. The participation of such people will be necessary when diagnosing the deficiencies and creating solutions to them. Some of them may require a great deal of effort and time. We feel that it is necessary to say that, first of all, what we must have is administrative development. This is something which will perhaps require a long time to achieve. But while this is being achieved, we should begin to revise the

internal legal regulations and the rules and ordinances in effect in every office and organization. After that it would be a good thing for us to begin with job descriptions as well as with training and preparation.

It must also be said that the executive branch of government and the other government organizations which have the authority for making decisions must begin the reform and pursue it until we and all the rest of our citizens succeed in having the type of thing which we wish to have.

The Concept of Waste, Some of the Causes of Waste, Some Types of Waste, and How to Deal With It

Waste, in some forms, has been defined as everything in excess of an acceptable level of normal expenditures. This is a feature which may appear in any material business activity, whether the activity is a service or a production activity. Other people have defined waste as being non-optimum utilization of various resources and capabilities.

There are many definitions for waste, and all of them are similar to each other in terms of meaning. The concept of waste has become an accepted notion, and it has also become an accepted notion that it is urgently necessary for us to deal with waste and put a stop to it. If this matter is neglected, then the effects of waste will be negative and occasionally destructive ones in various realms. If the problem of waste continues and becomes worse, then this could create an easy point of access by means of which our enemies both at home and abroad could penetrate our front and nullify the great achievements which have been accomplished in our country. Ever since the emergence of the Great Corrective Movement, under the leadership of Hafiz al-Assad, gigantic and continual efforts have been made to firmly establish permanent foundations for economic, social, and political growth in our country. All of us have been aware of the prosperity which we have achieved and the degree of progress which we have attained in the building of our country's economic, social, and political infrastructure. We have had to wage the battle to build our country at the same time that we are waging the battle of steadfastness and confrontation for the sake of liberation. The country has witnessed tremendous qualitative progress in the fields of agriculture, industry, and services as well as in the realm of training a strong and capable army. Billions of Syrian pounds have been spent in order to achieve these things. Our revolution has really been a gigantic one, and it has occurred within a very short time period when compared with the scope of the tremendous achievements which have been accomplished in every field. These achievements have been accomplished in spite of the enormous pan-Arab responsibilities which have been placed on our nation's shoulders and the enormous material burdens and tremendous amount of effort which have been required by the stance of steadfastness, confrontation, and challenge [to our enemies] which we have taken both inside and outside our country.

Nevertheless, during the stage of planning and preparation of largescale projects in various fields, and then the stage of beginning the implementation of these projects and then their operation, there appeared a whole

series of negative features and obstacles which constituted a major cause of waste and prevented the projects from yielding the results which were expected of them. A number of factors were involved in this phenomenon. They have included poor planning and improvisation sometimes, poor administration, neglect, sloppiness, the tendency on the part of some individuals to seek to enrich themselves, and other such reasons. And no matter how simple some of the reasons are, they are still serious in their effect. This is why the problem of waste emerged and why voices were raised which called for combatting this waste since it had become very serious in some sectors. The subject of waste, along with the subject of red tape, has been brought up numerous times and examples of these phenomena have been quoted. We do not deny that the government has shown concern for this problem, and the government deserves our gratitude for this. The government has taken some measures and has formed committees to study the problem. However, all of this has not been effective in curbing the problem to the degree that is necessary. People have said that some of the methods used to deal with the problem have been a waste of time for the committees and a waste of the money spent for this purpose, and what they have said is true.

The Administration and Productivity Development Center was established, it is still functioning, and several committees have been formed [under its auspices]. These committees include the Performance and Productivity Evaluation Committee, the Productive Capacity Allocation Committee, and finally the Waste Committee, under the chairmanship of the deputy chairman of the Council of Ministers for Economic Affairs. Some occasional progress has been achieved [by these committees], but this progress has not been enough.

From the above-mentioned it is clear that there is a steadily increasing feeling and trend of thinking on the part of people that this waste is thing which is real and is a dangerous phenomenon, and that we must make serious efforts to deal with it. However, so far at least, it appears that there is no government organization which, by itself, is able to really deal with this matter. What we must do is to have combatting waste become the national motto for everyone and have everyone support our nation's efforts to stand up [to its enemies], to protect its national economy, and to rely, as much as possible, on its own capabilities--since the economizing of such resources, which are not being wasted, would have a great effect in this regard.

In this report we have chosen to be practical and to talk about waste in familiar economic fields of activity such as agriculture, services, and industry since these are categories of activity from which many--perhaps dozens of--examples of waste can be quoted. Perhaps we could expand the realm or classification of activity in which we talk about waste and consequently talk about the "waste of resources"--which would also include waste of human resources. We have also preferred not to touch upon the subject of waste of unutilized natural resources such as alternative sources of energy and mineral resources. We have also avoided talking about types of waste concerning which dealing with the waste problem requires huge investments--such as recycling some types of waste materials--or those which

require a change in our life style--such as waste among our general population, including waste in the household. So what we have done is to mention some areas in which waste is occurring and urge that the waste problem in these areas be dealt with. We realize that this is a difficult road to follow, and we realize that, in order to begin dealing with the problem in a serious and deliberate fashion, we must all pool our efforts in order to accomplish this. This must include all individuals in the People's Council, the government, mass-based organizations, and trade and professional unions.

We should point out the fact that the government has already taken some precautionary measures to deal with some of the government workers who are guilty of negligence on the job. The Economic Penal Code had been issued, and the Economic Security Courts have been established. Furthermore, the law [establishing] the Central Monitoring and Inspection Authority has also been issued. Nevertheless, these measures have not been accompanied by preventive and guidance measures which would result in a suitable climate for employees to work in and which would point out the best road for lax and negligent workers to follow in order to improve their job performance.

Thus the committee feels that there is no further need for more precautionary measures. It feels that the urgent need now is to start working on these deficiencies by means of a comprehensive approach and an approach involving the listing and defining of the factors of waste which are common to all public organizations and bodies--and then adopt preventive and guidance measures designed to get rid of all this waste. Whenever the approach taken is a comprehensive one and whenever the method of dealing with the problem is one involving prevention and guidance, then the path which is followed is an easy one and the road toward attaining the objective is a shorter one.

For this reason we have avoided quoting examples of all the above-mentioned features of waste and red tape, thus allowing the People's Council the opportunity to embellish the discussion by means of providing vivid and realistic examples. Some of the committees have mentioned them in some of their reports, and the last such report was one made by the fertilizer plants in Hims.

Proposals and Recommendations

The following proposals and recommendations are hereby made:

1. The government recommends that "dealing with the problems of red tape and waste" should be a national motto, and everyone should work toward achieving this.
2. The government should show active and constant concern for the matter of administrative development and should establish a national administration institute, the task of which would be to train administrative personnel and administrative leaders.
3. There should be more training courses for government employees.

4. We should get rid of the surplus work force in the various government offices and organizations engaging in administration, production, and services. This work force should then be utilized in other fields, with the work force thus being distributed in such a way as to correspond to the actual requirements of each particular activity.
5. We should revise the internal regulations in effect in each office, introduction nationwide application of the regulations which define the task to be performed by each employee, and modify some of the regulations when necessary in order to make employees' tasks easier and in order to shorten the stages of the work to be done.
6. All employees should be returned to the job positions defined for them in their appointment contracts, or they should be permanently transferred to the organizations which they were trained to work in.
7. Every administrative board [in every organization] should take upon itself the burden and responsibility of drawing up an employment plan in light of the required production objectives and should totally adhere to this plan.
8. We should limit government expenditures in a number of areas, and the government should take practical steps to achieve this goal.
9. We should review the accounting of the cost of each job being accomplished in order to insure that the cost be realistic and involve a small profit margin for public sector companies.
10. We should endeavor to improve production and put into practice the principle of closely keeping track of costs in order to enable the government to export surplus production at prices which are equal to, or are competitive with, the market in neighboring countries or the international market.
11. We should make use of some waste materials, especially when the utilization of such waste materials does not require new investments to be made (such as, for example, waste materials left over from cotton processing and the processing of leather goods).
12. We should, as much as possible, put a stop to migration of the labor force from rural areas to urban areas.
13. We should have mechanization of agriculture and provide for what the sector of agriculture requires in terms of seed, fertilizers, and pesticides in sufficient quantities and at the times they are needed.
14. We should send our agricultural engineers out to work and production sites so that they will not merely sit in offices, and we should, whenever possible, draw upon the skills of Arabs living abroad who are experts in the fields of agriculture, industry, and services.
15. We should put a stop to the utilization of fertile agricultural lands for the construction of housing and for the construction of various other

installations, in spite of the fact that there is an abundant agricultural work force available in these areas [to work on such construction projects] (as in the al-Ghutah area, for example).

16. We should be concerned about continuously providing machinery and spare parts, and the same concern should be shown with regard to raw materials.

17. We should review the economic situation of our government employees and improve their standard of living, because their present living conditions might constitute one of the causes of the deficiencies, aberrations, and waste which they are guilty of.

9468

CSO: 4404/481

STEPS TAKEN TO ENCOURAGE TOURISM

Dubayy KHALEEJ TIMES in English 29 Jun 83 p 2

[Article by Latheef Farook]

[Text] SHARJAH has launched a campaign to introduce the emirate's tourist potentials in the United States, following its successful promotional drives in West Germany, Austria and Switzerland which has helped to bring in considerable number of winter tourists from these three countries during the past three years.

Among the numerous measures to promote the emirate in the US was a to send out business reply cards to all tour operators there dealing with out-bound holidays. And now, on the basis of the replies received, a decision has been taken to invite a group of tour operators to visit the emirate on a familiarisation tour.

Meanwhile, in an effort to ensure the efficiency and success of these activities, the Sharjah Tourist Centre, which has been functioning as a liaison office coordinating with all tourism-related bodies in the public and private sectors, is now organising a special course for tour guides.

A report prepared by the emirate of the tourist movement during the year 1982-83 states that His Highness Shaikh Sultan bin Mohamed Al

Qasimi, Member of Supreme Council and Ruler of Sharjah, emphasises the importance of promoting cultural ties among the people of different countries. It is with this purpose in mind that he has set up the department of culture and authorised the tourist promotion activities.

In keeping with this decision, the department of culture is taking various measures, both at local and international levels, through the Sharjah Tourist Centre, to organise tourist promotion activities in a systematic manner.

Locally, the centre has established close coordination and cooperation with relevant bodies, such as the airport, municipality chamber of commerce, immigration department, hotels, tour operators, airlines, public groups and theatres.

Similarly, close contacts have been established with tour operators, airlines, newspapers and other media together with exhibitions and fairs abroad to introduce the tourist potential of Sharjah and the rest of the country.

According to the report although these activities began in December, 1980, on a small scale, within a matter of three years the department has achieved its target. It started with only

one flight a week from Munich and during the tourist season of 1982-83, it received 110 flights from different European countries. The flights included those from Frankfurt, Zurich and Vienna.

Meanwhile, the number of tourists also increased from 2,500 in 1980-81 to 8,349 during the last season.

As a result of these measures, Sharjah Tourist Centre took part in a number of international exhibitions and fairs, including the ITB held in Berlin.

In Berlin a special 'hospitality suite,' decorated in traditional Arab style with handicraft taken from the emirate's women's association, served Arab coffee and oriental snacks to the visitors.

It also included a slide and a film show while the local hotels and the emirate's tourism representatives distributed special brochures highlighting the tourist potentials in the country.

The director of the cultural department, also attended the German-Arab symposium held in Munich. The European contacts helped to organise a French music festival in Sharjah. A Swiss TV delegation, a group of West German professors, journalists and photographers, teams of tour agencies and others visited the emirate.

UNITED ARAB EMIRATES

BRIEFS

NEW AJMAN OIL COMPANY--His Highness Shaikh Humaid bin Rashid Al Nuaimi, Member of the Supreme Council and Ruler of Ajman, yesterday issued an Amiri decree establishing the Ajman National Oil Company Limited with UAE and foreign participation. The company will undertake oil exploration, drilling and studies on oil and gas in the emirate. Oil drilling operations in Ajman is reportedly progressing according to plans laid down earlier.--WAM [Text] [Dubayy KHALEEJ TIMES in English 6 Jul 83 p 1]

ABU DHABI BUDGET--The Abu Dhabi Executive Council at its weekly session yesterday approved the 1983 general budget for the emirate of Abu Dhabi totalling about Dh 24.31 billion with a deficit of Dh 2.9 billion. The Council, chaired by Lt. Gen. Shaikh Khalifa bin Zayed, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the Armed Forces, at its last session had reviewed a number of articles dealing with Abu Dhabi's general budget for this year. The emirates's public revenues for 1983 totalled Dh 21.52 billion.--WAM [as published] [Text] [Dubayy KHALEEJ TIMES in English 6 Jul 83 p 1]

NEW JUDICIARY LAW--The Ministry of Justice, Islamic Affairs and Auqaf is preparing special guidelines for the implementation of the judicial authority law to be enforced from Saturday, Mr Mohammed Abdul Rahman Al Bakr, Minister of Justice and Islamic Affairs, said yesterday. He said that a federal supreme judicial council had been formed under his chairmanship and included the ministry's under-secretary, chairman of the Supreme Federal Court, attorney-general, director of the inspection department and heads of the federal courts as members. The 95-article law aims at streamlining the judicial system in the country. The law contains, guidelines for appointment, terms of service and powers of the members of judiciary. The Supreme Judicial Council will ensure independence of judiciary proposing legislations to develop the judicial process. [Text] [Dubayy KHALEEJ TIMES in English 30 Jun 83 p 3]

DROP IN PER CAPITA INCOME--Abu Dhabi: The UAE per capita gross domestic product in 1982 was Dh95,800 a decrease of Dh10,500 from 1981, according to a report by the UAE ministry of planning. The UAE per capita national income showed a decline of 6.9% to Dh82,300 compared to Dh94,100 in 1981 and Dh94,700 in 1980. Per capita gross government expenditure in 1982 increased by 27.5% to Dh18,700 from Dh17,400 and Dh11,500 in 1981 and

1980 respectively. Per capita gross private expenditure rose by 11.2% in 1982 to Dh22,500 compared to Dh21,300 in 1981 and 1980 respectively. Per capita national saving ratio declined by 18.2% to Dh39,100 compared to Dh51,800 in 1981 and Dh18,500 in 1980. [Text] [Doha DAILY GULF TIMES in English 26 Jun 83 p 3]

NEW OIL FIELD PRODUCTION--Abu Dhabi's Umm al-Dalkh oil field is expected to come into production by the end of 1984 with an initial capacity of 15,000 b/d, an official of the Abu Dhabi National Oil Company's subsidiary UDECO announced recently. UDECO General Manager Keichi Kobayashi said that 43 wells had already been drilled and a further 12 were to be drilled by the end of next year in the Umm al-Dalkh offshore field, about 25 kilometres northwest of Abu Dhabi city. He added that six production platforms had been built, while another 14 platforms were to be constructed by the end of 1984. UDECO was set up in 1978 as a joint venture between ADNOC and the Japan Oil Development Company (JODCO) to explore, develop and produce hydrocarbons in Umm al-Dalkh and other oil fields. Mr Kobayashi said that ADNOC had taken a 60 per cent share and JODCO 40 per cent in a new agreement to develop the Satah, Jarnain and Dalma offshore oil fields. Production at Satah is expected to begin in mid 1986. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 29, 18 Jul 83 pp 11-12]

NEW NATIONAL OIL COMPANY--The Emirate of Ajman, one of the seven making up the UAE, has established a national oil company to carry out oil activity in the Emirate. The new company, set up by a decree issued by the ruler of Ajman, Sheikh Humaid bin Rashid al-Nuaimi, will be responsible for acquiring, purchasing, operating, licensing and conducting all oil activities in the Emirate and will concentrate initially on exploration, drilling and surveys of Ajman's oil and gas reserves. A board of directors representing the government and foreign operating companies is to be announced soon by Sheikh Humaid. The company will have an authorised capital of \$35 million. Ajman has produced no oil so far, but oil and natural gas were discovered within the Emirate by the Canadian Charriot Resources Company, which drilled its Ajman No. 1 well in mid-1982. The company is planning to drill a second well in the same area to assess the size of the find. Land Oil of the Philippines and Bahrain's Gulf consolidated Services and Industries are also engaged in exploration work in Ajman. The government recently issued a decree stating that its approval was necessary for the transfer or sale of any interest in oil, gas or hydrocarbons. [Text] [Paris AN-NAHAR ARAB REPORT & MEMO in English No 29, 18 Jul 83 p 12]

CSO: 4400/438

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

AL-MAHRAH DEVELOPMENT PROJECTS DISCUSSED

Aden 14 UKTUBAR in Arabic 5 Jun 83 p 3

[Interview with Sa'id 'Askari, First Secretary of the Party Organization in Al-Mahrah Province, by Husayn Al-Faridi: "Port Of Nishtun, Largest Economic Project in the Province," date and place not specified]

[Text] Projects of the social and economic development plans in al-Mahrah Province have played a large role in changing this geographic part of the nation from the backward life forced upon it prior to independence to its new advanced life, and in ending the conditions of social and economic isolation. A look at this change clearly shows the general life of the province's society. This was made clear by Comrade Sa'id 'Askari, a member of the Central Committee and first secretary of the party organization in the Province of al-Mahrah, in an interview which we conducted with him, which sets forth the various accomplishments and successes achieved by the Province. The following is the text of the interview:

[Question] What are the accomplishments that have been achieved in al-Mahrah Province during the past few years?

[Answer] Al-Mahrah Province, up until the eve of national independence in 1967, was deprived of everything worth mentioning in the various economic and social fields. The province was only plains, wadis and towering mountains, with natural obstacles separating each district from the other, making it difficult even for travel on foot.

Thanks to the concern of the revolutionary government, the Province of al-Mahrah obtained a measure of interest in the different fields. The following accomplishments were achieved in building dirt roads: dirt roads were built linking all the districts of the province. Its length is about 320 kms.

Building this road overcame the isolation imposed upon our masses in the province. The citizen could move about in complete freedom and could easily move goods and equipment among the province's districts.

This road was begun in 1968 after independence. The start was made with the Fatk-Hawf road, and then, the al-Ghaydah-Qishn road, and it ended with the Qishn-Sayhut road.

This road connected the four districts (al-Ghaydah-Hawf, al-Ghaydah-Qishn, Qishn-Sayhut). This road is considered one of the primary projects to be implemented in the province.

Service Projects

Most of the central ministries' branches have been built in the province, where these branches are offering social and economic services, each in its own jurisdiction, and overseeing special projects in the province. The ministries' branches are led by directors and officials, most of whom were born in the province. Despite the paucity of cadres, as a result of the fact that education only began in the province in 1968 following independence, the process of qualifying people is now under way continuously, in order to cover these branches' requirements for local cadres and, with the establishment of the ministries' branches in the province, to fill out the complements of all departments. When this is done, our party and revolutionary government will have achieved a great feat on behalf of the province and its masses.

Fish and Agricultural Production

In the economic and social area, the following accomplishments have been achieved:

Three fish production cooperatives have been established in al-Ghaydah, Qishn and Sayhut. These cooperatives are composed of a number of fishermen and production units in various fish producing areas. These cooperatives are composed of a number of fishermen and production units in various fish producing areas. These cooperatives were established immediately after the revolt on the fishermen in 1973, during which they were able to seize the means of production, and the cooperatives were formed in the aforementioned districts.

Also in the economic field in the province, a cold storage plant was built to freeze and store (al-sharukh) in al-Ghaydah district (Dabut area), where units subordinate to the Ministry of Fish Resources as well as units belonging to the fish cooperatives in the al-Ghaydah district are fishing for (al-sharukh) and delivering them to the cold storage plant.

During this season, positive results have been achieved, since total production has amounted to about 48 tons of (al-sharukh), in addition to 8 tons of (al-zanajah). This cold storage plant is considered one of the important projects that have been built in the province; it was opened in 1974.

In addition to the construction of complexes to receive fish from the fish cooperatives in some of the districts, work is under way to complete complexes in the rest of the districts and production locations.

Moreover, two agricultural cooperatives have been established, one in al-Ghaydah and the other in the district of Sayhut. These cooperatives are engaged in planting certain vegetables, and assistance and loans have been

given to them to develop their production activities. A central association has been established in the capital, with district branches, to supply foodstuffs, luxuries and fuel to state organizations and citizens.

Work is under way to change these branches into cooperatives, which will be tied directly to branches of the Domestic Trading Co.

The province also has a branch of the Home Trade Company in the capital of al-Ghaydah, and preparations are now under way to open branches in the rest of the districts, where three warehouses have been built, each with a capacity of 3000 tons, in Qishn, Sayhut and Hawf, in addition to the existing warehouse in al-Ghaydah. There are also retail stores in the various districts and remote areas, aimed at fulfilling the citizens' needs in terms of foodstuffs and luxuries at uniform prices.

From the health aspect, there is a central hospital in the province in al-Ghaydah, in addition to a hospital in the Sayhut district. There are also health units in the districts of Qishn and Hawf. Work is currently under way to build advanced health units for primary care in Hawf and Sayhut. Efforts are continuing to build health centers in Hawf and Qishn, for the purpose of proving free treatment to citizens in their areas, free of any exorbitant costs to the citizens.

Electricity and Water

The al-Ghaydah electricity project has been completed, and work is under way to develop these two projects. Similar projects are currently under way in the districts, where there are now electrical and water projects in Hawf, Qishn and Sayhut. Work is in full swing. In addition, there are the local projects either completed or being undertaken in various areas and villages, where citizens and emigrants from the same districts are participating in implementing these centralized projects, in addition to the basic state support for these projects.

Training and Education

A number of schools have now been constructed, and the number of schools in the province's districts is now 29 unified schools, in addition to a secondary school in the provincial capital (al-Ghaydah), a teachers' college in Sayhut, a teachers' college in al-Ghaydah and a school for the sons of nomadic bedouin that has three branches in Hawf, Habarut and Sayhut. There are also three boarding schools, in al-Ghaydah, Qishn and Sayhut, which can accommodate from 120 to 150 students. In addition to eight laboratories and school libraries, we are able to say that the academic situation is progressing very well, in terms of providing these available educational resources. We are still exerting efforts to provide better means of making the appropriate academic atmosphere available to the students in the province.

There is a polytechnic center in the capital, al-Ghaydah, and two nursery schools, one in al-Ghaydah and the other is in Sayhut. A number of male and female students have graduated from the unified secondary school and the

teachers' college. The total so far is 4814 from the various districts. This number will gradually cover the province's needs in terms of teachers and qualified cadres in the various facilities, in addition to the fact that the numbers of students going to school increases annually.

Housing

Apartments and low-income housing have been built in al-Ghaydah and some districts. Work is now under way to complete the construction of 50 apartments, and we are still requesting the central authorities for additional housing to be distributed to the districts to meet the housing crisis, especially for workers transferred from other areas. The number of houses that have been built so far is estimated at approximately 130 apartments and low-income dwellings.

As regards headquarters buildings for state organizations and the ministries' branches, the majority of them have been provided, with the exception of a few. Follow-up continues to provide them with offices and headquarters.

In my estimation, these are the most important basic accomplishments achieved by the province during the past few years.

The Most Important Projects

As regards the other aspect of the question, which touched on the projects included within the 3-year plan, and which will be implemented at the prescribed times, I believe that I have included some of them in my discussion, whether they involved sanitation or housing. It remains for me to refer to some other important projects, led by the vital project which will have a share in the province's development, and that is the Nishtun port project. This important economic project, whose work will be completed in April 1984, is tied in with several other economic and social facilities, including a cold storage plant to receive various kinds of fish, with a capacity of 8000 tons. This will give the fishermen more activity in the field of fishing, and will provide a large number of fish. In addition, there is a workshop to repair fishing boats, a boat-launching ramp and another workshop to repair vehicles and various machines. The port will also include warehouses to maintain goods, an electrical station to provide the needs of the port and the area of Nishtun, housing for experts and workers, and a plant to distill sea water to fulfill the needs of the port and the area.

In the project, there is an administrative unit for the port and various other administrative sections as well as customs. The port will be connected to the capital by an asphalt road from Nishtun to Dabut, as a first stage. Work will continue to complete the second stage, Dabut-al-Ghaydah, at a later date. The length of this road will be 54 kilometers from al-Ghaydah to Nishtun.

The economic and social benefits of this project will be to the benefit of the state and the citizenry.

Work will also be getting under way on a second project, which is no less important for the development of the province, to facilitate the travels of the citizenry and to insure the safety of passengers and aircraft. This is the al-Ghaydah airport project, whose preparatory work is now under-way. The completion of this airport will provide citizens with ease of travel to and from the province. This will help to regulate travel without interruption and help us to avoid the difficulties of the rains which, more often than not, are the cause of shutting down the airfield and stopping travel.

Work is also currently under way to build a consolidated school, and within the projects of the 5-year plan is a cinema, which will be completed shortly in the capital. Two cultural centers have been built in Qishn and Sayhut, as well as a cultural-social center in al-Ghaydah, where films will be shown to the citizens. A communications station has also been completed in al-Ghaydah.

Within the plan's projects are electricity projects in the districts, as well as water projects. In addition, the local construction organization, which is carrying out projects that are included in the province's plan, is now expanding its production base. It has completed the first part of a building for administrators and experts and is now building a workshop. This organization will pursue the construction of a carpenter shop and a facility for air conditioners and a number of various machines.

There is also a branch of Public Works to repair roads and to continue to build and improve the dirt roads. A permanent maintenance crew for the al-Fatk-Hawf, al-Ghaydah Qishn and Qishn-Sayhut roads. These teams also have a workshop to maintain equipment. There is also a station to rent agricultural equipment, which offers services to agricultural cooperatives, repairs machines, uproots trees and levels agricultural lands.

These are the most important projects that have been completed in the province, or which are under way, during the past 3 years of the plan. In their entirety, they have had a share in developing the province and creating a better life for the citizens.

Preparations to Celebrate the 20th Anniversary

Concerning the question about preparations in the province to celebrate the 20th anniversary of the revolution, our point of departure in establishing the preparatory plan to celebrate this anniversary was the central plan and the guidelines drawn up by our party preparatory to this great and glorious anniversary. A branch committee was formed in the province, in light of the central decree. Subcommittees have also been formed in the districts, and a political, cultural and masses' program drawn up by the specialized committees concerned. Tasks for each committee have been defined in the political and cultural arenas, so that they can hold meetings with citizens and workers in the state facilities to explain party and state policy and the importance of the accomplishments that have been achieved, thanks to the victory of the 14 October Revolution, as well as to explain the historic

importance of the deeds of the Yemeni Socialist Party, whose fifth anniversary we celebrate. They will also debate the 5-year plan and the projects which it contains, as well as means to rapidly and soundly implement them, and complete them before their prescribed dates, or at the prescribed time, as a gift to be offered on this occasion.

In addition to the production contests and competitions, there are initiatives to explain the laws of the state and organizations and to discuss the importance of the elections for the local popular councils, with the aim of effective participation in the elections and choosing their representatives.

This in brief is the story of the preparatory tasks for the celebration of 20th anniversary of the second jubilee holiday of the glorious 14 October Revolution, made up of various and numerous jobs in light of the plan of preparations in various economic, political, cultural and popular fields, in celebration of this historic and glorious occasion for our people.

7005

CSO: 4404/474

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

PORT DREDGING--The Yemeni Port Authority is currently making arrangements to operate a new maritime dredger, which it has recently purchased, for the purpose of deepening the ports, at a price of \$1,919,375. This dredger, which has been named "al-Wahdah," and which is completely equipped with modern, advanced technological means for dredging and deepening ports, has a capacity of 125 cubic meters per hour, with a length of 32 meters, a width of 9 meters and a depth of 2.5 meters, at a speed of 7 knots. The dredger was purchased from the (De Lis Bouch) Company, a Dutch firm, and arrived in the port of Aden at the end of last May. On board were a number of Dutch experts who will carry out operational tests and train the Yemeni cadre specialized in manning and operating the dredger. [Text] [Aden AL-MASAR in Arabic No 6, Jun 83 p 6] 7005

TRANSPORTATION COOPERATION WITH FRANCE--Comrade 'Abdullah Muhammad 'Aziz, member of the Central Committee and the minister of communications, discussed the cooperation between our country and France in the area of transportation and communications. That occurred during his meeting last Thursday in Paris with Charles Fiterman, the French minister of state for transportation. Prior to that, the minister had met with M Mexandeau, the French minister of posts and telecommunications, discussing with him areas of existing cooperation between the two countries and horizons to further develop them. It is worth noting that the comrade minister of communications is currently visiting France at the head of an official delegation, at the invitation of the French minister of transportation to attend the international air show. [Text] [Aden 14 UKTUBAR in Arabic 29 May 83 p 1] 7005

OIL, REFINERY TALKS--A contract will be signed in Algiers to buy 280,000 tons of crude oil between the National Oil Company and the Algerian State Oil Organization, in accordance with the agreement signed by Comrade 'Ali Nasir Muhammad, the secretary general of the Central Committee, chairman of the Supreme People's Assembly and chairman of the Council of Ministers, and Algerian President Chadli Bendjedid, during the former's visit to Algiers. That was mentioned by Comrade Faysal Bin Shamlan, executive director of the National Oil Company, during his departure from Aden the day before yesterday, enroute to both Algiers and Kuwait for this purpose. Comrade Shamlan will discuss with officials of the Kuwaiti Oil Company issues concerning development of the Aden Refinery and issues of oil refining with the Kuwaiti oil organization. [Text] [Aden 14 UKTUBAR in Arabic 5 Jun 83 p 2] 7005

CSO: 4404/474

COMMERCIAL ACTIVITIES OF FOREIGN VOLUNTARY ORGANIZATIONS DESCRIBED

East Burnham ARABIA THE ISLAMIC WORLD REVIEW in English Jun 83 p 68

[Text] Almost all foreign voluntary agencies in Bangladesh are involved in the lucrative handicrafts business. Since 1973 a range of such agencies – FVAs – have been engaged in the production and export of locally-produced crafts.

Some of the foreign agencies floated the idea of establishing an export house of their own, free from government interference, so that their organisations' produce could be more easily and profitably channelled to western markets. An export house, CORR-The Jute Works, was established in 1973.

CORR, the Christian Organisation for Relief and Rehabilitation – now known as Caritas Bangladesh – applied for registration in 1973 to the ministry of cooperative and rural development. The secretary at the ministry, A Z M Obaidullah Khan, now the honourable minister for agriculture, approved the application. CORR's American director then applied to the ministry of commerce for an export licence: it was granted despite the fact that the law debarb foreign nationals from being an applicant in such cases.

CORR has now become a trust of Caritas Bangladesh through registration with the government. It has since been functioning as a handicrafts export house with an annual turnover of more than 20m Bangladeshi takas, and a profit of 2-2.5m takas a year. The revenue department of the Bangladesh government has assessed income tax amounting to more than 10m takas for its business in the past nine years. CORR contends that it is not liable to pay income tax.

Also prominent in the handicrafts business are the Mennonite Central Committee, Oxfam, YWCA,

Christian Health Care Projects, the Swedish Free Church Mission, the International Union for Child Welfare, Heed Bangladesh (a subsidiary of Tearfund, England) and the Catholic Mission, which operates from a number of Bangladeshi towns.

CORR's largest customers are Christian organisations in the West. for example, Tearcraft (a subsidiary of Tearfund, England), Oxfam Bridge, also of England, Mennonite Central Committee – a Mennonite Church organisation of the USA and Canada – and other such organisations of Europe, the US, Canada, Australia and New Zealand. The stated objective of CORR-the Jute Works is to give the producers extra income and induce savings among them.

At present, there are about 10,000 to 15,000 producers who deliver to CORR. About 90 per cent are in Dhaka or nearby and are organised by foreign voluntary agencies such as Caritas Bangladesh, MCC, Oxfam, IUCW, CHCP, Heed and so on.

Normally the women workers produce articles in their homes. Often the children and other members of the family are involved. The output of one registered producer is usually the work of six or seven part-time workers.

The foreign voluntary agencies have very little contact with the producers. They generally believe that the production figures referred to are the results of a single individual's work. It is often claimed by CORR officials that the women's income is already so high that they need to be careful about increasing payment further lest they should get spoiled.

The facts, however, present an altogether different story. Towards the end of 1982 and beginning of 1983 the prices of raw jute and other raw materials for making handicrafts increased by 150 to 200 per cent. This has added to the miseries of the poor producers.

To create markets, CORR offers very advantageous conditions to their customers in the West. They give huge discounts on large quantity orders. If an order is large enough, goods are sold at below purchase price. It appears from the CORR annual audited report that they have always suffered an operating loss and have earned profit from the non-operating account, which is a subsidy given to them by the Bangladesh government in the form of XPL (Export Performance Licence). This entails a heavy cost to the national exchequer.

Bangladesh encourages exporters with incentives and subsidies. Each exporter is allowed to import up to 80 per cent of the value of its exports through XPL. CORR exports its whole production and imports nothing. It sells its import licence to businessmen and enterprises through biddings. This gives it a good income each year.

What happens then to this extra income in this so-called non-profit institution? It would be reasonable to expect that part of it would be returned to the government as taxes. Instead, CORR uses it to cover the losses that it incurs because of the advantageous conditions arranged for foreign Christian buyers. The foreign buyers are thus being subsidised by the subventions CORR gets from the Bangladesh government. If, on the other hand,

CORR decides to increase its prices, the producers' income would rise and the country would earn more foreign exchange. The present system adopted by CORR allows value added to leak out of the country. At the same time, the amount of hard currency coming into the country is reduced.

CORR has, moreover, established a stranglehold on the international market. It has the sales apparatus and can systematically block export opportunities to small producers outside its network.

Many Christian agencies in Bangladesh are allowed by the government to maintain convertible accounts in Bangladeshi banks. Such convertible accounts are mostly held in the foreign banks operating in the country. Repatriation of profits is thus quite easy for these missionary agencies.

Foreign religious agencies are prohibited from participating in business and commercial activities in Bangladesh, without the prior approval of the government.

However, many do engage in businesses, ranging from the selling of spices to textiles, agricultural components and the handicrafts trade.

Economic success has given considerable confidence to the missionaries operating in Bangladesh. According to a Newfoundland Baptist missionary, half the population of Bangladesh will convert to Christianity by the turn of the century.

CSO: 4600/793

REPORTAGE ON U.S. RELATIONS, SHULTZ VISIT

Report on Departure

Bombay THE TIMES OF INDIA in English 3 Jul 83 p 1

[Text] NEW DELHI, July 2--THE U.S. secretary of state Mr. George Shultz, today expressed satisfaction at his wide-ranging talks here.

The external affairs minister, Mr. P. V. Narasimha Rao, who saw him off at the airport, said the talks on important bilateral issues and the international situation had been "satisfactory and promising".

The two sides decided not to issue a joint statement or communique at the conclusion of the visit, Mr. Shultz was given a warm send-off when he left by his special jetliner for Islamabad.

India believes that there is understanding of its position in this region as a result of the just-concluded visit of Mr. Shultz, despite the differing perception of the two countries.

Mr. Rao said Mr. Shultz's visit was the continuation of efforts to improve Indo-U.S. relations, particularly after the atmosphere created by the Prime Minister, Mrs. Indira Gandhi's trip to the United States last year.

Mr. Rao listed the non-aligned policy and situation in the region and economic issues as subjects which figured in detailed discussions with Mr. Shultz.

On the supply of spare parts to the Tarapur atomic power station, Mr. Rao said: "We hope there will be no further hitch to getting the power station to run without interruption."

A correspondent drew the attention of Mr. Rao to a report from Washington that some U.S. Congressmen would oppose the supply of spare parts for the Tarapur plant.

He replied: "Domestically (in the United States) some questions were raised, I am sure, the U.S. administration does know how to deal with the situation."

Would there be any diplomatic repercussions if the spare parts were not supplied, Mr. Rao was asked. "It is a hypothetical question," Mr. Rao replied.

An American correspondent asked for Mr. Rao's comment on Mr. Shultz's statement that the U.S. would like to see a stable India. "He also told us about this," he said.

The secretary of state had made a statement on the unity and territorial integrity of India and "when the secretary of state makes a statement, we have to accept it as a statement by the secretary of state."

Mr. Shultz's statement was in an apparent reference to the recent controversy over a press interview given by the U.S. ambassador, Mr. Harry Barnes.

Asked if the U.S. and Indian views on the strategic situation in the sub-continent differed, Mr. Rao said: "Mr. Shultz had himself pointed out that such differences do persist."

In Mr. Rao's opinion Mr. Shultz's visit did contribute to establishing greater understanding between India and the U.S.

He said: "We are now trying to understand each others position on important bilateral matters, the situation in this region, the policies of non-alignment and major global political and economic issues."

Mr. Rao said: "I believe now they understand our position as we want them to understand."

The external affairs minister said it was significant that in one day discussions lasting seven and a half hours were held with Mr. Shultz. Major subjects of concern to the two countries were taken up.

Situation 'Not So Depressing'

Calcutta THE SUNDAY STATESMAN in English 3 Jul 83 p 8

[Editorial]

[Text]

Mr George Shultz's talks in New Delhi seem to have gone as well as they could have in the circumstances. Indeed, considering the policy constraints, they could not have gone better. It was perhaps characteristic of U.S. diplomatic style, especially under the Reagan Administration, that an arrangement for the supply of spare parts for the Tarapur plant was announced almost as soon as the talks began. The decision had presumably been taken, and possibly discussed with the Indian Government, well in advance; the disclosure seemed timed to let Mr Shultz have

something to show for his visit. This was reminiscent of the way an agreement on Tarapur fuel supply marked the start of Mrs Gandhi's talks in Washington last year. The repetition of form may have detracted a little from the impact of the announcement last Thursday; the doubts and difficulties that had arisen after the promise of a neat solution to the fuel problem must also have been recalled.

Even so, the arrangement regarding spare parts may still be invested with an importance that it does not deserve. An ill-defined and com-

plicated arrangement to make possible certain supplies which should have been available from the United States as a matter of course is no concession by the U.S. Administration: if Washington pleads legal difficulties, New Delhi can invoke a prior contractual obligation. All that has been agreed is that the USA will not object, as it could under the 1963 contract, if India obtains the supplies from other sources and that, if India fails to do so, the U.S. Administration itself will act to make the supplies available. The latter is undoubtedly an encouraging policy gesture, especially considering potential opposition within the United States. This opposition was arguably a consideration behind the qualification that the arrangement would only be for "safety-related" spare parts, intended to minimize the health hazards arising from the absence of some vital equipment. But if the supplies are restricted to this category, difficulties in the way of effective operation of the plant are likely to persist. Moreover, differences over reprocessing of Tarapur's spent fuel remain unresolved, with attendant problems of storing increasing amounts of highly radioactive material while a reprocessing facility demonstrably needed for future nuclear power projects remains idle or underutilized.

Yet these are not matters central to Indo-U.S. understanding, which cannot be dependent, except marginally, on the future of a 20-year old power plant. An unfortunate obsession with Tarapur has been allowed by both sides to distort the perspective on a relationship that could have an immense potential for good. The continuing obsession with Tarapur can only arouse suspicion of a sterile frustration in attempts to find wider understanding on vital and abiding concerns. Judging by the trend of the New Delhi talks, the situation certainly is not quite so depressing; but there is not

much evidence of advance from what appear to be frozen positions. U.S. commitment to arms supplies to Pakistan, and Indian reservations about it, remain as strong as ever, and the outlook, as perceived by New Delhi, is unlikely to be altered by an indication of American readiness to sell arms to India. On Afghanistan the differences are no longer charged with very high feeling; but U.S. spokesmen did not seem particularly optimistic or enthusiastic about the negotiations under U.N. auspices. On Kampuchea too, the USA is showing no special interest in a negotiated settlement.

The greatest disappointment for India in recent months has been over the U.S. attitude towards concessional aid, and Mr Shultz does not appear to have given any indication that the policy is likely to be modified. With his grasp of economic detail, he may have presented the Reagan Administration's view with some cogency; if New Delhi remains unimpressed it is because the basic premises are irreconcilable. None of this, however, was unforeseen, the differences were known and could hardly be reduced, let alone resolved, in the course of two days of talks. But the exchanges have surely given the two sides a clearer understanding of each other's arguments; going by what Mr Shultz told the Press, there was much more than a routine restatement of respective positions. This cannot but be of some value in the long run. In the immediate context, the visit will stimulate the useful work being done by the Joint Commission. Whether anything will result from Mr Shultz's clarification of certain points regarding possible Indian purchase of arms from the USA remains to be seen. On a more general theme which has lately been related to some unfortunate controversies, he did well to reaffirm U.S. interest in India's unity and stability.

Reddy: Foundation 'Slightly Healthier'

Madras THE HINDU in English 3 Jul 83 p 2

[Article by G. K. Reddy]

[Text] IT was George Bernard Shaw who said that Britain and the United States were two great nations divided by a common language. As the world's two largest democracies, India and the U.S. too feel no less estranged by their shared traditions. It is an ambivalent relationship bristling with many complexities that defies a precise description.

The two societies which have otherwise so much in common suffer from strange fixations and powerful obsessions that make understanding difficult even at the best of times. There is no lasting hostility as such in Indo-American relations, but the desire to appreciate each other's sensitivities, tolerate their angularities and live with their differences is conspicuously absent, with the result that even the slightest misunderstanding can lead to instant irritations. The two countries which have been talking a cross-purpose over the years have developed a vaguely negative attitude towards each other, despite the fact that they have no major conflicts of interest.

The visit of the U.S. Secretary of State, Mr. George Shultz has focussed attention on this seamy side of Indo-American relationship without a matching emphasis on the opportunities open for better understanding despite recurring differences. But mercifully the two sides have not engaged in the mug's game of blaming each other without getting down to the root causes of their differences. For a refreshing change, there has been no shadow boxing this time and they were able to talk to each other more in terms of what unites than divides them. To this limited extent at least the relationship has been put back on a slightly healthier foundation, although the many thorny issues that have soured the feelings or warped the perceptions of the two countries are still there.

A peculiar feature of Indo-American relations has been that they are strained more often by conflicting approaches to the problems of other countries rather than their own bilateral differences. It is only recently that the U.S. started treading directly on India's corns to hurt the country in areas that matter most to it. The attempts to block the IMF loan and impede the flow of concessional credits have ruffled India's pride much more than the negative response to the pleas for global negotiations.

Similarly, the policy of rearming Pakistan has harmed India much more by intensifying its defence burdens than ignoring its appeals for transforming the Indian Ocean into a zone of peace.

The Shultz visit has provided an opportunity to both countries to take a close and critical look at the new strains in Indo-American relations and pin-point the causes of frictions. If it is not possible to eliminate them overnight, the talks have at least helped to create a better awareness of the damage being done by these differences. The Secretary of State has gone back with a

clearer idea of India's policies and predilections, its concerns and aspirations.

Paranoid Elements

But unfortunately the hiatus created by past aberrations still remains, acting as a big void in Indo-American relations. The Prime Minister's visit to Washington last year set the tone to some extent for a progressive improvement, but the two countries started drifting apart again in the wake of other developments. There are paranoid elements in the Pentagon, State Department and even the White House in Washington who, acting as unnamed sources behind a smoke-screen of anonymity, continue to indulge in an anti-Indian smear campaign. In Delhi too there is no dearth of pathologically prejudiced persons who revel in anti-Americanism as a sort of fashionable radicalism.

Unfortunately no serious effort is made on either side to identify and expand the vast middle ground, the silent majority of people on both sides, who are genuinely interested in better relations. It is not generally realised in India that a good many Americans who are critical of its policies and actions are not necessarily anti-Indian on perversely hostile towards it.

Similarly, very few observers of the Indian political scene are able to comprehend the basic reality that, despite its sharp differences with successive U.S. administrations, India has by and large been a pro-American country in the genuine belief that it has infinitely more to its credit than discredit as a compassionate nation.

Vagaries

The real test of leadership today is how to extricate this jinxed relationship from running suspicions, and recurring irritations to open the way for lasting links based on beneficial bilateralism. The U.S. must learn to accept and respect India for what it is, rather than what it should be, in an area of vital importance, while India in turn must shed the habit of pillorying the U.S. with our without justification.

The U.S. tendency to indulge in double talk and apply double standards in judging India to justify its tilt towards Pakistan, has exposed the hypocrisy of successive administrations in Washington which would like to see all Third World countries, big or small, reduced to the level of client States. The Indian habit of giving Moscow the benefit of doubt even when it is not entitled to it has tended to undermine India's own credibility at times.

The vagaries of U.S. policies are such that its actions are often unpredictable and, consequently, other countries are inclined to play safe by avoiding undue identification with its actions. At the time of the Sino-Indian conflict in 1962, the U.S. tried to nudge India with the bait of token military aid into lining up with the West in a grand alliance against China over Vietnam. A decade later it sacrificed Bangladesh by letting the Pakistan army ravage it as part of its new policy of befriending China by using General Yahya Khan as a conduit for establishing secret contacts with it. The Indian

leaders are not far wrong in imagining that there might be similar reversals of policy in future, letting down old friends to cultivate new ones in pursuit of its geostrategic designs.

On the Defensive

The trouble with India, on the other hand, is that it has had no sustained policy as such for dealing with the U.S. other than reacting to the actions of Washington. It has unwittingly placed itself on the defensive to the point of having to justify and explain away its responses to American actions. There has been no concerted effort by India on behalf of the Third World to impress upon the American people that no sustained revival of the North is possible without a matching development of the South, since a third of the exports of the U.S. itself involving the livelihood of a sixth of its total work force goes to the developing nations.

It has to be dinned into the heads of developed societies that if one-fifth to one-tenth of their industrial capacity is idle and nearly 10 per cent of their labour force is unemployed, it is because of their inability to adjust themselves to the dynamics of the changing times. In the last five years the affluent countries have lost an extra income of nearly \$2,000 billions, as Mrs. Gandhi said in her address to the UNCTAD last month, as a result of global recession and their own protectionism. It is necessary to explain to the American people that their own recovery from the ravages of Reaganomics depends on their readiness to work together with countries like India in common interest, without attempting to treat them as pawns in a global power game to browbeat the Soviet Union.

Lofty Plane

An effort was made during Mr. Shultz's visit to put across these arguments with a measure of conviction to elevate the discussion from dreary bilateral controversies to a lofty plane for putting the non-aligned summit declarations in their proper perspective, while pleading for a positive U.S. response to them.

As one who has held many key positions in successive administrations, Mr. Shultz was eminently qualified to get the message and concede the validity of many of these points with good grace. And his visit to India could be deemed to be a success, if he is able to put across some of these themes to President Reagan and his advisers on his return to Washington, even if no worthwhile progress is made in resolving long-standing bilateral problems that cannot be settled overnight.

Reddy on Weapons Deal Approach

Madras THE HINDU in English 3 Jul 83 p 12

[Article by G. K. Reddy]

[Text]

NEW DELHI, July 2
It is learnt on good authority that India has

no intention of entering into a major arms deal with the United States, despite the latest

assurance given by the Secretary of State, Mr. George Shultz, that it was prepared to sell sophisticated military equipment without too many conditions.

The basic Indian objection to any large scale purchase of American arms, it is pointed out, is that apart from the high price factors involved, there is no firm guarantee of an assured supply of essential spare parts and ammunition on the required scale under the existing U.S. laws and procedures, besides the known disinclination on the part of Washington to transfer advanced technology and let India manufacture such weaponry indigenously under licence.

The question came up, it is stated, during Mr. Shultz's talks with the Prime Minister, Mrs. Indira Gandhi, only as a consequential follow up to the discussion on the implications of the U.S. policy of rearming Pakistan. There was otherwise no substantive new offer as such to establish a military sales relationship to allay Indian apprehensions about the U.S. action.

A trap

According to some highly placed sources here, India does not want to get caught in this trap of indirectly justifying the U.S. arms supplies to Pakistan by purchasing weaponry from the same source even if the equipment was sold without any stringent conditions. It is in this context that the first opportunity was being availed of today to state quite clearly that India had no intention of buying arms from the U.S. in the present circumstances.

But otherwise there is general satisfaction in government circles in Delhi that Mr. Shultz's visit has gone off well in generating hopes of better understanding at least in some spheres despite persisting differences over many issues. As an affable and high-minded statesman with a well established reputation for moderation, he impressed his Indian hosts with his agreeable style and smooth presentation of U.S. policies as inoffensively as possible, although he made no worthwhile concessions to accommodate the Indian point of view over any major question.

The extensive discussions Mr. Shultz has had with Mrs. Indira Gandhi and the External Affairs Minister Mr. P. V. Narasimha Rao were more in the nature of amiable conversations rather than serious discussions aimed at narrowing down the divergence of opinion. But he gave the impression that, despite running controversies and recurring irritation, the U.S. was not writing off India although it was not making any serious effort to bridge the gulf for whatever reason.

From the Indian point of view, the Shultz visit has not held out any hope of change in the near future in the U.S. policies of arming Pakistan even at the risk of starting a new arms race in the sub-continent, opposing further flow of concessional financial assistance to India through multilateral channels like IDA, standing

in the way of the Indian request for two billion dollar loan from the Asian Development Bank or denying transfer of technology even for industrial purposes. In the international sphere, too, India received no worthwhile assurances of a sympathetic relief in areas of critical importance to the developing nations.

All that Mr. Shultz did was to listen intently, ask the right questions, make some reassuring comments and promise to convey his impressions to President Reagan on his return to Washington. In other words, he made no commitments at all on the non-aligned plea for a gathering of world leaders at the U.N. during the General Assembly Session, the proposal for an international conference on money and finance or the suggestion for an early resumption of global negotiations.

Similarly, he stuck to the known American stand on Kampuchea and Afghanistan, taking a strongly anti-Soviet line. But he was a little more accommodating in his responses to the Indian thoughts on some sort of parallel initiative by the seven-member non-aligned group set up by the summit to help resolve West Asian problems, although he continued to oppose the PLO's exclusive right to represent the Palestinian people in any such negotiation.

Tangible outcome

The only tangible outcome of this visit has been the understanding reached over the supply of spare parts for Tarapur but it is plagued by so many uncertainties that no one on the Indian or American side was prepared to hazard any guess as to how it is going to be settled finally in the face of growing congressional opposition in Washington.

The U.S. Secretary of State left Delhi today describing his trip as a "very fine visit". Mr. Narasimha Rao, who saw him off at the airport, said that the wideranging discussions with him were "satisfactory and promising" to sustain the impression that despite persisting differences over several issues, the talks had helped to clear up some of the misgivings and doubts on either side.

PTI reports:

A correspondent drew the attention of Mr. Rao to a report from Washington that some U.S. Congressmen would resist the supply of Tarapur spare parts.

He replied: "Domestically (in the United States) some questions were raised. I am sure the U.S. Administration does know how to deal with the situation.

An American correspondent asked for Mr. Rao's comment on Mr. Shultz's statement that the United States would like to see a stable India than a destabilised country.

"He had also told us about this," he said.

Mr. Rao said Mr. Shultz had already made a statement on arrival last Wednesday on the unity and territorial integrity of India.

Gains Not Enough

Bombay THE TIMES OF INDIA in English 4 Jul 83 p 8

[Editorial]

[Text]

Bad relations between India and the United States do not serve the interests of either side. Both have, indeed, high stakes in narrowing down even unavoidable differences. Judged from this standpoint, Mr. George Shultz's three-day visit to this country has been useful, but only up to a point. There could be no doubt about his sincerity in wanting to "strengthen and expand" the Indo-U.S. relationship. He has also done his best to isolate the bilateral relations between the two countries from such irritants as the U.S. policy on multilateral economic aid and international monetary management. And he started his talks in New Delhi by assuring this country that the U.S. would take "appropriate steps" to supply this country those safety-related spare parts which it needs for Tarapur but cannot acquire from elsewhere. This is good as far as it goes, but unfortunately does not go far enough.

By transferring the bulk of its own contractual commitment on Tarapur to West Germany and Italy, the U.S. is doing India no favour. Furthermore, Mr. Shultz has simultaneously issued notice that the U.S. does not agree with India's contention that the latter has an unfettered right to reprocess the spent fuel at Tarapur, now that an agreement exists on the safeguarding of the reprocessing facility. As if all this was not enough, some people in Washington seem to have started their efforts to scuttle whatever promise he has made. *The Washington Post* has recorded disapproving noises from the state department and the nuclear regulatory commission. Fifty members of the U.S. Congress have written to President Reagan demanding that no spare part for Tarapur be supplied until India signs the NPT.

Mr. Shultz's remarks on the removal of misunderstandings about the U.S. arms supplies to India too do not add up to much in terms of hard reality. He has himself stated that no specific proposals are under discussion. As for the future, much would depend on the precise clarifications offered by him. No one familiar with the U.S. scene, however, can believe that the U.S. would give up either its reluctance to transfer the technology for the manufacture of the military equipment it agrees to sell, or its insistence on its right to suspend any supplies contracted. Under these conditions, no arms deal worth the name looks feasible. Meanwhile Mr. Shultz's terse declaration that he knows of no Indian plan to either have a second nuclear explosion or acquire five billion dollars' worth of arms from the Soviet Union should knock down motivated misinformation designed to discredit this country.

No Basis for Common Strategy

Bombay THE TIMES OF INDIA in English 6 Jul 83 p 8

[Editorial]

[Text]

The antics of the industrialised nations at Belgrade closely resemble those of the village idiot who to fell a branch of the tree chops off the one on which he is sitting. In as little as a year they are likely to find that by rejecting each and every one of the suggestions put forward by the developing countries at UNCTAD-VI for simultaneously achieving a lasting economic recovery in the advanced countries, and renewed growth in the developing ones, they have hurt themselves almost as much as they have hurt the poorer nations. The failure of UNCTAD-VI was a foregone conclusion from the day it became clear that the rich nations no longer considered the global economy to be in crisis. While this perception, which is totally different from that of the developing countries, was initially hidden under a heap of verbal endorsements of the notion of global interdependence, it surfaced inexorably during the protracted discussions in the committees. As a result, whatever little political will had existed in the rich nations to look for mutually beneficial solutions to the world's economic problems, during the months when preparations were being made for the conference, evaporated in the weeks before it actually took place. At the root of this turnabout lay not only the belief that the recession of the last three years was over, but that it had been surmounted and inflation vanquished, by the stern deflationary measures that all the OECD countries except France had taken since 1979. In the face of this monumental complacency, there was little the developing countries could do.

The shortsightedness of the industrialised countries is difficult to comprehend. Their complete intransigence throughout the conference has rested on nothing more than a prediction about what will happen in the next twelve months and predictions often go wrong. If there is indeed a strong economic recovery, then by the end of 1984 even the developing countries will benefit from it. But so far, as everyone acknowledges, the recovery is weak and has not spread to Europe or Japan. Is it not then in everyone's interest to take steps that will put it on a firmer footing? And what if the recovery peters out? Should the rich nations not have taken the opportunity furnished by the month-long conference to discuss at least the outlines of a contingency plan to breathe new life into it? Either of these prudent considerations would have made the industrial countries enter into a serious discussion of the merits and demerits of the key proposals put forward by the developing countries. But the rich are clearly willing to risk their own economic future, rather than acknowledge the fact that their fate is now inextricably intermeshed with that of the poor nations. The real battle fought at UNCTAD was by an enfeebled "North" to maintain its complete dominance over the "South". But their victory, if it can be described as one, is likely to prove a pyrrhic one.

ANALYST COMPARES MACEACHEN, SHULTZ VISITS

Madras THE HINDU in English 10 Jul 83 p 2

[Article by G. K. Reddy]

[Text] AFTER the U.S. Secretary of State left, the Deputy Prime Minister and Foreign Minister of Canada, Mr. Allan MacEachen, came next on a similar mission to Delhi last week to restore a bit of the old glow in Indo-Canadian relations. His task was relatively easier than that of Mr. George Shultz, since there are no intractable problems between India and Canada other than dispelling the distrust that had crept into an otherwise excellent relationship in the wake of the Indian nuclear explosion.

A hard-headed but pragmatic statesman who has had the unique distinction of getting re-elected in nine general elections since he entered politics in 1953. Mr. MacEachen has had varied experience having served in successive governments as Minister for Labour, Manpower and Immigration, Finance and External Affairs, besides becoming President of the Privy Council and leader of the Canadian House of Commons. As one who ranks next to the Prime Minister, Mr. Pierre Trudeau, he had both the authority and experience, sympathy and understanding, to handle this task of improving Indo-Canadian relations with consummate skill and quiet confidence.

Warm Relationship

The U.S. Secretary of State had a much more difficult time in explaining American policies and actions in regard to East-West relations as well as North-South problems, since the two countries had totally different perceptions on many of these issues. The Canadian Deputy Prime Minister, on the other hand, was able to highlight the areas of agreement and the readiness to work together in tackling North-South Problems, despite the continuing differences over East-West issues.

As a former chairman of the IMF Group of Ten composed of 10 major industrial countries of the West and later of the Interim Committee of the IMF, Mr. MacEachen has established over the years a warm personal relationship with the leaders of many developing countries and was able to reflect their feelings better during the recent Williamsburg summit.

It was against this background that he was able to assure India that though the developing countries are not going to be invited to participate in the proposed Western confabulations on world monetary problems they will be indirectly taking part in the deliberations as members of the Interim Committee of the IMF which will be closely associated with these deliberations. He deftly steered a middle course between the American attempt to deny the developing countries any role in a second Bretton Woods type gathering and the non-aligned plea for a wider international conference on money and finance.

Unique Endeavour

In doing so he tried to impress on India the wide opportunities open for increased Indo-Canadian cooperation, while the two countries work together to end the current impasse in North-South exchanges. He succeeded to some extent in conditioning the Indian reflexes by assuring that Canada had no interest in directly or indirectly encouraging the so-called Khalistan movement.

There are no two countries that are geographically so far apart as India and Canada, belonging to two different hemispheres, which have so much in common, despite their different traditions and areas of interest. The nominal economic links or aid relationship could not have sustained the warm political bonds that had developed between them during the Fifties and Sixties but for a common urge to make a success of the Commonwealth experiment and in the process contribute to better international understanding and peace.

It was a unique endeavour in the sense that Canada, a white country and a member of the Western alliance, realised the positive aspects of cooperation with a non-white and non-aligned country like India that had newly become free and was struggling hard to find its new moorings in a troubled international environment to preserve its identity and work in close concert with others without compromising its freedom to judge each issue on its merits.

Notable Role

It is this mystique of shared faith that enabled Jawaharlal Nehru to establish a warm friendship with Canadian leaders like Louis St. Laurent and Lester Pearson, which helped to bridge the racial gulf between the white dominions and the newly independent non-white members of the Commonwealth that were keen on shedding the remaining vestiges of their dependence on Britain. The two Canadian leaders played a notable role behind the scenes in evolving the new formula to enable India to remain a member of Commonwealth after shedding its Dominion status and becoming a Republic under the country's new Constitution.

Despite this special warmth in their relations, the two countries differed from time to time over issues like Hungary and Czechoslovakia, the role of the International Control Commissions in Indo-China, and the power pursuits of the U.S. and the Soviet Union, but these differences did not come in the way of their basic understanding that continued to be sustained by their firm adherence to certain basic values in international life. After St. Laurent and Pearson disappeared from the scene, their successors like Mr. Diefenbaker and Mr. Trudeau kept up the special relationship during the Shastri interregnum

and the first seven years of Mrs. Gandhi's rule. The turning point came only in the early Seventies when Canada became somewhat apprehensive about India's nuclear ambitions.

"Bad Faith"

The nadir was reached in 1974 after the Pokhran test leading step by step to a total reversal of the earlier relationship to the point of not only terminating the nuclear cooperation agreement but also a progressive suspension of Canadian economic assistance. During his visit to India in 1972, Mr. Trudeau had cautioned Mrs. Gandhi that since Canada would not differentiate between nuclear tests for peaceful purposes and potential military uses, even a peaceful explosion by India would inevitably lead to a suspension of Canadian nuclear cooperation. He followed up this verbal warning with a letter on his return to Ottawa, and in her reply she did not deal with this specific issue maintaining that it was a hypothetical point at that time since India then had no intention of going in even for a peaceful nuclear explosion.

So when finally India did explode a nuclear device in 1974, Mr. Trudeau reacted very sharply accusing India of bad faith in using the unsafeguarded Canadian-built Cirrus reactor at Trombay to irradiate the fissionable material for it. The Canadian Government not only suspended all further assistance to the second reactor of the Rajasthan power plant under construction, but also decided to stop all fresh economic aid maintaining that it did not want to let India to utilise foreign aid to divert domestic resources to the pursuit of its nuclear ambitions.

Breaking Point

The then Foreign Secretary, Mr. Kewal Singh, was sent to Canada ostensibly for annual official talks but in reality to mollify Mr. Trudeau by reaffirming India's peaceful intentions. The Canadian Prime Minister wanted India to state publicly that it would not go in for any more tests and, when this demand was turned down, he sought a private assurance that there would be no diversion to any third country of either nuclear materials or technology, as a condition precedent for fulfilling the suspended contractual obligations to supply the remaining equipment for the Rajasthan power plant.

The breaking point was reached when Mr. Kewal Singh declined to give even this private assurance, after consulting Dr. H. N. Sethna, who was in Washington holding parallel talks with his U.S. counterpart for an exchange of letters reiterating the Indian commitment to the prescribed International Atomic Energy Agency safeguards for the Tarapur plant, it took Canada two full years to realise the folly of its over-reaction and agree to resume talks on the supply of the remaining equipment before concluding the nuclear cooperation agreement.

After three rounds of protracted discussions an agreement was reached and the draft was initialled by Mr. Ivan Head, Political Adviser to the Canadian Prime Minister, but for some still unexplained reasons Canada went back on the agreement leaving India with no alternative but to terminate unilaterally the

cooperation agreement. This soured the relationship to such an extent that the two Prime Ministers were hardly on talking terms for two or three years, until they met in the West Indies and exchanged perfunctory pleasantries during the Commonwealth conference.

The helpful role that Canada played in promoting the idea of the Cancun summit, and later persuading the U.S. President, Mr. Ronald Reagan, to attend this North-South conference, helped to sweeten a soured relationship and ease the strains in Indo-Canadian relations.

Meanwhile, Canada itself took the initiative in restoring the economic relations step by step by sending out several official missions. The distrust and bitterness--the crisis of confidence--that characterised Indo-Canadian relationship during the Seventies is now a thing of the past. The two countries have started working together again without posing the philosophical question of how relevant they were to each other whether in the international or bilateral contexts. The two countries are getting back to the old days although it might take a few years to restore the earlier trust in full measure.

Greater Respect

In the last three decades, Canada has had the good fortune of having excellent diplomatic representation in India headed by some of the most distinguished members of its foreign service, including Mr. Mitchner who was appointed Governor-General while he was still serving in Delhi. The same cannot be said of India whose representation in Ottawa has been rather uneven with the result that no sustained effort was made to cultivate Canadian public opinion. The very persons who stood by India solidly during the Bangladesh crisis condemning the Nixon-Kissinger tilt, turned ferociously against this country over the Pokhran test imagining that a poor country unable to feed its hungry masses was squandering a fortune on a status symbol like nuclear explosion.

It was not adequately explained that, if anything, India should have been awarded the Nobel prize for doing it at the cheapest possible cost which was a tribute to its scientific skill and sound management of its meagre nuclear resources. And it is this realisation in the long run that has earned greater respect for India, making Canada realise the futility of its non-cooperation. And what is important is that better late than never it has realised the folly of overreaction and started mending fences.

CSO: 4600/1405

PRESS REPORTS DEVELOPMENTS IN PUNJAB SITUATION

Opposition Leaders' Recommendation

Calcutta THE STATESMAN in English 1 Jul 83 p 1

[Text] NEW DELHI, June 30--The meeting of leaders of 16 non-Congress (I) national and State political parties held here today, as a sequel to the Vijayawada meeting in May, expressed the view that the only issue in the Punjab agitation that remained to be settled related to Chandigarh and other territorial disputes between Punjab and Haryana. The issue could be settled through a spirit of give and take, it added.

The 16 parties attending the meeting are: Akali Dal, Congress (J), Congress (S), CPI(M), CPI, DSP, Forward Bloc, Janata, Janwadi Dal, Lok Dal, National Conference, RSP, RPI (Gavai), RPI(K), Rashtriya Congress and Telugu Desam.

Mr Gurcharan Singh Tohra, Mr. Balwant Singh, Mrs Rajinder Kaur and Mr Surender Pal Singh Mann comprised the Akali delegation.

Mr Jagjivan Ram (Congress-J), Mr D. K. Barooah (Congress-S), Mr Rajeswara Rao (CPI), Mr E. M. S. Namboodiripad, Mr Harkishan Singh Surjeet and Mr Basavapuniah (CPI-M), Mr Chitta Basu (Forward Bloc), Mr Chandra Shekhar, Mr Madhu Dandavate (Janata), Mr Charan Singh, Mr Shyam Nandan Mishra (Lok Dal), Mr Farooq Abduliah (National Conference), Mr Tridib Chowdhury (RSP), Mr Ratubhai Adani (Rashtriya Congress) and Mr N. T. Rama Rao (Telugu Desam) were among the important participants.

The leaders felt that, as broadly agreed to by the tripartite committee, Chandigarh should go to Punjab and "certain areas" of Punjab should be transferred to Haryana. Haryana should be given adequate financial compensation for building its capital, they added. "All the other claims and counter-claims with regard to territories can be referred to a tribunal", they said in a resolution.

At a Press briefing at the end of the meeting, the DSP leader, Mr. H. N. Bahuguna, suggested that the proposal for compensation to Haryana to enable it to build its capital was in response to the reservation voiced by the Lok Dal on the issue of transfer of Chandigarh to Punjab, specially since Haryana had not been consulted on it.

In its resolution on Punjab, the meeting made two other points. It considered it a matter of the highest priority that violence and communal bitterness be ended immediately and conditions for peace, amity and accord be created among the people. It took note of the fact "that the Akali Dal had reiterated its unequivocal opposition to the demand for Khalistan, as well as the acts of violence and communal hatred".

The other point was the "warnings" to the ruling party at the Centre to end its policy of drift which "has crossed the limits of tolerance and may have grave consequences for the future of our society".

The day-long meeting considered three other subjects: flood and cyclone in Gujarat, dismissal of the Pondicherry Ministry and what was described as the Election Commission's partisan functioning.

On Gujarat, the meeting demanded an all party relief committee. Regarding Pondicherry, it asked for the mobilization of public opinion against the "anti-democratic action" of the Government in dismissing the Ministry. On the Election Commissions recent recommendations for the recognition of national parties, the meeting decided to set up a committee to study them.

Reactions to Recommendations

New Delhi PATRIOT in English 2 Jul 83 pp 1, 7

[Text] Akali leader Balwant Singh on Friday said the Government should take cognizance of the Opposition suggestion to resolve the Punjab tangle and end its policy of drift which was harming the State and the country, report agencies.

Mr Singh, who had been a key negotiator in the prolonged talks with the Government and in the tripartite negotiations, said the Opposition had shown more seriousness than the Government by proposing a positive solution to end the stalemate.

Firstly, on the major religious demand the framing of an all India gurdwara act, the Opposition had called for necessary action since the managing committees of the seven historical gurdwaras had passed resolutions in its favour he said.

According to Mr Singh, the Government had stipulated yet another condition that the concerned State authorities be consulted before bringing in an all-India gurdwara act. This would have amounted to interference by the Government in the religious affairs of the Sikhs, a position appreciated by the opposition parties.

Secondly, on the river water issue, Mr Singh said the Government had been offering to refer the dispute only between Punjab and Haryana to a tribunal under the Inter-State River Dispute Act of 1956, but the resolution adopted by the Opposition meeting yesterday afforded a wider scope.

This is interpreted to mean that it would be up to the Akalis to seek a reopening of the 1955 agreement between the undivided Punjab and Rajasthan.

On the territorial question, Mr Singh said the Opposition had come out clearly in support of the Akali demand for the inclusion of Chandigarh in Punjab. The resolution said 'as broadly agreed to in the tripartite committee meeting, Chandigarh should go to Punjab and in the spirit of give and take, certain areas of Punjab should be transferred to Haryana'.

According to Mr Singh, this part of the resolution corresponded to the proposal made by Janwadi leader Chandrajit Yadav at the tripartite meeting.

Opposition Delegations

Talking to newsmen, CPI-M general secretary E M S Namboodiripad said the Opposition parties planned to send delegations to Punjab to help normalise the situation.

Mr Namboodiripad, who blamed Mrs Gandhi and the Congress-I of giving up its conciliatory approach said the Opposition was aware of its responsibility.

Mr Namboodiripad resented the ruling party's charge that the Opposition was trying to encourage regionalism. He said it would be wrong to think that just because the Telugu Desam and the National People's Conference were confined to Andhra Pradesh and Jammu and Kashmir respectively, their concern was circumscribed to their States.

Mr Namboodiripad said the main agenda of the next Opposition conference at to be held Srinagar would be 'national unity and integrity'.

Self-Deception

Meanwhile, Mr C M Stephen, AICC-I general secretary described the Opposition conclave here as 'self-deception' and asked the Opposition leaders to categorically state their views on Akali demands.

Stating that the opposition conclave was 'mutual deception, self-deception and deception of the nation' Mr Stephen posed a set of questions to the opposition as well as Akali leaders on the resolution adopted at Friday's meeting.

Alleging that the resolution was "vague" Mr Stephen asked "Do they agree that all the demands of the Akalis excepting territorial demand have been accepted?"

What the Opposition meant by saying that some territory of Punjab should be given to Haryana in lieu of Chandigarh's transfer to Punjab, he asked and said the clear position was that Chandigarh was to be handed over to Punjab with the simultaneous transfer of Abohar and Fazilka to Haryana, he added.

Does the Opposition leaders want the Centre to settle the territorial issue unilaterally without the concurrence of Haryana and the State's opposition parties, Mr Stephen asked.

Haryana Chief Minister Bhajan Lal also questioned the authority of opposition leaders to decide the fate of Chandigarh, saying only the Prime Minister and the people of Haryana could have a say in the matter.

Describing the resolution of the opposition leaders on Punjab as "deplorable" Mr Bhajan Lal said the suggestion on Chandigarh was detrimental to the interest of Haryana.

In Chandigarh the Haryana Pradesh Congress-S strongly condemned the recommendation of the New Delhi Opposition conclave that Chandigarh be transferred to Punjab in lieu of certain unspecified areas as 'pro-Akalis.'

The HPCC-S chief, Mr Om Prakash Malik in a statement here warned that any decision of giving Chandigarh to Punjab without simultaneously transferring areas of Fazilka and Abohar to Haryana would not be allowed to be implemented.

CPI Leader's Statement

New Delhi PATRIOT in English 3 Jul 83 p 4

[Text] CPI general secretary C Rajeshwara Rao appealed Prime Minister Indira Gandhi on Saturday to urgently take up the Punjab issue for finding a solution before the situation further deteriorated.

In a statement, Mr Rao said the main thing the Delhi meeting of the non-Congress-I parties had attempted to do was to put consensus issues back on the rails and proceed to the next step of find reasonable solution for the territorial dispute between Punjab and Haryana.

Mr Rao said the meeting, which included the Akali Dal also, had put forth a solution proposing that Chandigarh should go to Punjab and in a spirit of give and take, certain areas of Punjab be transferred to Haryana.

All other territorial claims be referred to a tribunal, the meeting had suggested, he said.

Mr Rao said it was obvious that the extremists in Punjab had got unnerved by the positive results of the Delhi meeting and had intensified their sinister plans of killings in order to sabotage efforts to arrive at a peaceful solution of the Punjab problem.

He said it was everybody's responsibility. And especially of the leaders of the Akali party, to do everything to put an end to the organised plans of violence on the part of the extremists.

On the river waters issue, Mr Rao said the Delhi resolution had stated that the consensus on the dispute was clear that only the 1976 and 1981 agreements would be reopened (and not the 1953 agreement) before the tribunal proposed to be constituted under the Inter-State Water Disputes Act of 1956.

Singh Refutes Two-Nation Theory

Bombay THE TIMES OF INDIA in English 8 Jul 83 p 1

[Text] KARNAL, July 7 (PTI)--THE President, Mr. Zail Singh, today denounced the two-nation theory or the "Sikh as a nation," slogan and declared India's integrity would be preserved at all costs.

The country cannot be exposed to the dangers of the two-nation theory, he said after inaugurating the 40-bed Sanjiv memorial hospital here.

Lashing out at the separatist forces the President said that the Shiromani Akali Dal should condemn such activities. He wondered why it was fighting shy to do so.

Mr. Zail Singh said to call the Sikhs a nation not only amounted to disrespect to the "Sikh panth," but also went contrary to the spirit of the sacrifices made by the Sikhs during the freedom movement.

He reminded that many a Sikh leaders including Baba Kharak Singh and Master Tara Singh had strongly denounced, opposed and fought against the communalistic move of the British for a separate voting system for the Hindus, the Sikhs and the Muslims.

The President said that a religion could not be termed as a nation. If that was to be so many Muslim and Christian countries the world over would have proclaimed themselves as the Muslim and Christian nations and not been known by their individual identity countrywise.

Mr. Zail Singh said he would be failing in his duty as a President if did not raise his voice against forces trying to disintegrate the country.

The President said since no religion preached hatred or ill will against others, people in the country must consider themselves as Indians first.

Counselling the political parties to adopt democratic and dignified means to achieve their goals, the President said they should do nothing which would harm the country.

While declaring that no one would be allowed to disintegrate the country, the President said "we must all live like a family and resolve our differences amicably."

Apparently referring to the Akalis demands, the President said that the Centre has to resolve the issues and differences in a democratic manner.

Amritsar: "Chandigarh cannot become part of the territorial dispute between Haryana and Punjab," the Akali Dal said today.

"It was built for Punjab and it should be handed over to Punjab without it being disputed," the Akali Dal headquarters said in a press release.

Jullundur (UNI)--The curfew imposed on the old city areas of Jullundur on June 27 continues now only in a few localities including the Sodhal temple area and is restricted to six hours at night (from 10 p.m. to 4 a.m.), it was officially stated here today.

Meanwhile, the editors of Jullundur newspapers have reached a consensus not to criticise one another by name in their editorials with a view to creating healthy standards in journalism.

The consensus was arrived at during a meeting convened by Jullundur divisional commissioner, Mr. A. C. Sen, today to discuss the role of the press and the media in general on the current situation in Punjab.

Analyst on Delhi Attitudes

Madras THE HINDU in English 10 Jul 83 p 1

[Article by G. K. Reddy]

[Text] NEW DELHI, July 9--The Centre's attitude towards the Akalis has hardened considerably in the last two weeks following their refusal to engage in any meaningful discussions on the remaining demands relating to river waters and Chandigarh that stand in the way of a reasonable settlement of the Punjab problem.

The inclination at the higher levels of Government in Delhi is to wait and see what happens in the wake of the stern steps that are being taken to deal with violence rather than renew the efforts to reopen the dialogue in an earnest attempt to avert the danger of a further worsening of the situation.

The Centre seems to think that the Akali leaders are not really keen on an early settlement, and that any more concessions made to placate them will only encourage the hardliners to come forward with more contentious demands that cannot be conceded without running the risk of a total alienation of Hindu opinion in the State.

The present strategy, therefore, is to leave the door open for further talks but make abundantly clear to the Akali leadership that there will be no more appeasement by the Centre.

But at the same time all possible care is being taken to avoid any undue provocation in the name of firmness while coping with the growing incidence of violence. A proper distinction is thus being kept up between doing everything possible to meet the legitimate grievances of the Sikhs and yielding to the dictates of the extremists even if it be to avoid an unnecessary confrontation with them.

There is no guarantee that even the moderates among the Akali leaders will agree to call off the agitation if the remaining two demands regarding river waters and Chandigarh are accepted by the Centre, since the militants among them are apparently bent on extracting maximum possible concessions to secure

a privileged position for themselves in this border State. The present accent consequently is on a negotiated overall settlement, not on unilateral acceptance of the remaining Akali demands in the name of pre-empting the threat of a bigger agitation.

In opting for this policy of firmness to make it quite clear to the Akali leaders that it is not going to allow itself to be intimidated any more with threats of an all-out confrontation, the Centre has taken into account the possibility of the Opposition parties lining up more and more with them to accuse the Government of pusillanimity and vacillation. It is prepared to put up with such criticism rather than let the Opposition parties play the role of mediators between the Akalis and the Government.

A disquieting feature of the Akali agitation has been the growing bitterness between the Hindu and Sikh communities in Punjab and the adjoining States. As a ruling party both at the Centre and in the States, the Congress (I) is afraid of appeasing the Sikhs for fear of forfeiting the confidence of the Hindus who are politically no less important as a decisive factor in any election.

Rao 13 July Statement

New Delhi PATRIOT in English 13 Jul 83 p 1

[Text] The Communist Party of India has strongly disapproved the inflammatory utterances of some Akali leaders at Baba Akala and Taran Taran, calling for direct action the Bangladesh way and the entire panth taking to extremist methods.

In a statement on Tuesday, party general secretary C Rajeswar Rao urged the Akali leadership to stop such utterances and to strike for a peaceful settlement of the problem on the basis of the formula evolved at the 30 June Opposition parties' meeting held in the Capital.

He urged Prime Minister Indira Gandhi and her Government not to allow the situation to drift further to the point of no return.

The 30 June meeting had shown that the actual differences had narrowd down considerably and that Opposition parties were prepared to cooperate with the Government for the solution of the problem and save Punjab and the secular democratic set-up of the country, he added.

Mr Rao has reiterated his party's opposition to the theory of Sikh being a separate nation as advocated by the Anand pur Saheb Resolution and repeated by Akali Dal chief Harchand Singh Longowal.

He expressed surprise that Mr Longowal has tried to justify the theory on the basis of the policy of British imperialism which imposed separate electorates for Hindus, Muslims and Sikhs as a part of their sinister policy of "divide and rule"

"We would like to remind Mr Longowal that nations are not made on the basis of language, area, common history and culture. If that was so, all Muslims in the world would have been one nation and all Christians another", he said.

Mr Rao said there were quite a number of Hindu and Sikh families in Punjab which were inter-related and that inter-marriages also took place. If the theory that Sikhs were a nation was applied, how absurd will it look? he asked.

He also deprecated the activities of Hindu communalists who were exacerbating the situation, bringing grist to the mill of the Sikh extremists.

CSO: 4600/1405

HATCH REPORTED TO CONFIRM SOVIET WARNINGS TO INDIA

Bombay THE TIMES OF INDIA in English 3 Jul 83 pp 1, 9

[Article by J. N. Parimoo]

[Text]

WASHINGTON, July 2.

THE Reagan administration has received intelligence reports that Moscow is mounting intense pressure on Delhi to warn it against the purchase of American arms and that the Soviets have particularly warned the government of India against permitting American naval ships to visit Bombay port.

However, Indian diplomatic sources characterise the report of Soviet warnings as absurd. But a close associate of President Reagan and leading conservative Republican senator, Mr. Hatch, has confirmed the reports.

Disappointed over the outcome of the just-concluded visit of the U.S. secretary of state, Mr. George Shultz, to Delhi, Mr. Hatch told me: "I have information that the Soviet Union has warned the government of India not to go ahead with the proposed visit of the U.S. naval ship to Bombay port and Moscow has also warned Delhi against the purchase of American arms in general."

The senator, who was crusading for improved relations with India for the past one year, said he was frustrated because he saw the clear signs of a swing back in the pendulum of Indo-U.S. relations.

Senior senate staff aides dealing with foreign relations have made inquiries with a number of American firms that had entered into negotiations with India for the sale of arms to verify the truth of the intelligence reports. They have come to the conclusion that all such talks have either been called off or put in suspended animation. While the Indian sources repudiate the suggestions, the Americans point out the state of freeze in which all these negotiations stand today.

For instance, according to Ameri-

can sources, only a month ago, India's negotiations for the purchase and co-production of machine-guns were completed. "It is an old technology but an efficient gun," one specialist told me. The final agreement was drafted and the price agreed upon. But now the signal has come to the firm (Merry Mount Inc.) that India is not interested in buying the weapon.

An Indian diplomatic source gave a completely different version: the negotiations were stopped by the state department when it came to know that the firm had on its own agreed to co-produce the gun with India. But both American and Indian sources agree that the negotiations for the machine-gun have come to an end.

U.S. IN ANTARCTICA

According to these sources, India wanted to buy a number of C-130 transport planes for the stated purpose of using them for India's expedition to the Antarctica. The moment the request was made, there was opposition from pro-Pakistani elements inside the Pentagon and the Central Intelligence Agency. They said the planes were actually meant for use in the mountainous region of north and north-western India. Mr. Hatch had countered this opposition and negotiations were started between Lockheed, manufacturer of the plane, and the government of India. The latest position is that these talks have also been put in cold storage.

Two anti-tank missiles fitted with night sights and 155-mm. Howitzers have been sent to India for test firings and for comparison with other available equipment. "These pieces are still there, perhaps. They have been tested to the satisfaction of Indian defence experts, but the talks for the purchase of the weapons have also been put on hold."

Last year, the American firm, Northrop, made a presentation to the Indian Air Force of its small fighter plane, the Tiger Shark, which is now renamed F-20. The presentation comprised only details of the capabilities of the plane and of the terms on which it could be co-produced in India. At that time no plane was yet ready for demonstration.

According to Northrop sources, the government of India had then indicated that it would like to have a demonstration of the plane when it would come off the assembly line. The first F-20 was demonstrated at the Paris air show. But the manufacturer has now received word that the government of India is not interested in the plane.

It is, therefore, clear that whatever the reason, the arms sale talks that have been going on between the two countries are stalled. The Americans amended one of their laws in December to make it possible for India to buy American Howitzers. The amendment was moved by Mr. Goodling only on Indian request. Newspaper reports at that time said the road had been cleared for sale to India of weapons worth one billion dollars.

Though the figure was taken by experts as an exaggeration, it was generally believed that the range of arms sales would be wide and their size usually large. In the spring this year, hopes ran high that the two countries were entering a new phase in arms purchase relationship. Then came the reports that the Soviet Union had frowned on the negotiations.

The American assessment of the present situation ignores the fact that inside the Pentagon and even in the state department, there is mounting opposition to any unusually large India-U.S. arms sales relationship, particularly on the Northrop proposal for co-production of F-20. Anti-India elements in the Pentagon argued that it would be risky to raise the present relationship between the two countries to a close co-production stage.

The Pentagon suspicions fuelled Indian fears that the U.S. might be wanting to drive a wedge between Delhi and Moscow. It is believed that Delhi feared that once it made a request for F-20s or F-16s, the Americans might turn it down and embarrass the government of India and disrupt its arms relations with Moscow.

There is a precedent for such an American tactic. In the late sixties,

after prolonged negotiations, the U.S. agreed to sell Sky Hawk planes to India to be mounted on the aircraft-carrier, "Vikrant." When India made a formal request, it was turned down.

In the spring this year, when the policy planning senate steering committee of the Republican party realised that India was having apprehensions, it sent its national security adviser, Dr. Michael Pillsbury, to Delhi to reassure the government that if India made a formal request for fighter planes — F-20s or F-16s — Congress would not turn it down.

About the same time, on behalf of the Democratic party, a senior staff director, Mr. Peter Galbraith, also visited Delhi to give similar assurances. However, in the Pentagon and the state department, opposition to India continued.

It was at this point that the vice-chairman of the Republican steering committee, Mr. Hatch, proposed that the flagship of the West Asia command could be sent to pay a courtesy call on Bombay port.

The flagship, "Cornado," is too big to be able to berth at Diego Garcia, and since the law does not permit the American authorities to declare whether a particular ship is carrying nuclear arms or not, the senator thought that the sending of the "Cornado" would meet the objection of the government of India and at the same time provide proof that the government was no longer discriminating between the U.S. and the Soviet Union. Soviet naval ships are allowed to make courtesy calls at Bombay port.

Mr. Shultz went to Delhi with this brief. He suggested that the "Cornado" could visit Bombay. The Indian stand had been that, in accordance with its foreign policy objective of keeping the Indian Ocean a nuclear-free zone, the government could not allow a naval ship carrying nuclear arms to call at its ports.

Secondly, since India was opposed to the U.S. using Diego Garcia as a naval base, it would not allow an American ship to call at Bombay if it subsequently went to Diego Garcia. Senator Hatch thought that such a visit would resolve the deadlock.

According to Dr. Pillsbury, the request has been rejected by India, not on its merits but because of mounting pressure from Moscow.

Dr. Pillsbury said: "The relations between the two countries were at the peak in July last year when Mrs. Gandhi came here. Now they seem to be moving towards the low point again."

PRESIDENT SPEAKS AT ROY MEMORIAL MEETING

Bombay THE TIMES OF INDIA in English 2 Jul 83 p 9

[Text] CALCUTTA, July 1--THE President, Mr. Zail Singh, today emphasised the need for all-round vigilance to maintain India's unity. Pointing to the dangers to the country's basic structure of secularism, democracy and socialism, he said unity and integrity of the country must be maintained at any cost.

The President, who was addressing the annual function of the Dr. B. C. Roy memorial committee, on the former chief minister's 102nd birth anniversary, did not specify these dangers, but was amply indicative when he spoke of political instability in one part of India making others "sad" and generally weakening the country.

Paying tribute to the memory of Dr. Roy by recalling his "nation-building work", the committee president, Mr. Tushar Kanti Ghosh, described him as a "constructive genius". Dr. Roy was the "builder of modern West Bengal"; while the chief minister, Mr. Jyoti Basu, remembered him as "a liberal and firm believer in parliamentary democracy". Tributes were also paid by the Union finance minister, Mr. P. K. Mukherjee, and the Union railways minister, Mr. A. B. Ghani Khan Chaudhury.

Mr. Pande said it was in the fitness of things that a portrait of Dr. Roy had been installed in the assembly house earlier in the day.

The state government declared a half-day holiday on the occasion.

Dr. Roy's Values

Mr. Basu recalled his days in the opposition in the state legislature when, on the one hand, they used to have severe brushes with Dr. Roy, "with whom we had fundamental differences over economic issues", and, on the other, their across-the-table discussions "always used to be cordial". Dr. Roy never kept in mind what happened inside the house.

He said he would never forget Dr. Roy's reaction at the time of the overthrow of the first communist government in Kerala. The chief minister said he had himself asked Dr. Roy what he thought of the development and that his Dr. Roy's) unambiguous reply was: "Nothing like it should happen in parliamentary democracy." As far as Mr. Basu knew, Dr. Roy had conveyed his mind to Delhi.

Mr. Pranab Mukherjee recalled Dr. Roy's respect for values. Even before 1952, Dr. Roy had set the pace for the future development of West Bengal and India as a whole by initiating projects like the Mayurakshi river valley project, Chittaranjan locomotive works, Kalyani township and Durgapur steel he said. If West Bengal today was among the most industrialised states in India, the foundation for this growth had been laid by Dr. Roy.

The President said Dr. Roy had to work hard for the recovery of the socio-economic structure of West Bengal. After partition it was a truncated state with two-thirds of the paddy and jute growing areas gone to the erstwhile east Pakistan.

Remarkable Feat

The previous administration left the state coffer empty and thousands of people from East Pakistan arrived in West Bengal every day. At this juncture, Dr. Roy became the steward of West Bengal, riddled with so many problems, and India witnessed the birth of a remarkable administrator and statesman. During the 14 years of his chief ministership, the shattered state attained a sound economic position through national building work in every field of development.

Digressing from the text of his speech at this stage, Mr. Zail Singh said: "Let us not forget Dr. Roy's ideals." Calcutta continued to maintain its cosmopolitan character. This tradition needed to be kept up. He said forces opposed to the country's basic structure were active today in different parts of the country and this posed a challenge for the nation. "We must defend ourselves with the self-confidence gained over past years."

This should be, he added, the watchword for everyone and wherever one was irrespective of one's political affiliation. There was a need to foster goodwill among the people. Issues of religion, caste or region tended to divide the people and led to destabilisation. Such forces must be controlled.

The function was held in Bidhan Sishu Udyan, of which Mr. Atulya Ghosh remains the main inspiration and prime mover on behalf of the memorial committee.

The President acknowledged the work being done by the committee through its various activities like training some 4000 children every year in various games, music, dance, drama and painting.

CSO: 4600/1381

JANATA LEADER ADDRESSES PRESS CLUB OF INDIA

Bombay THE TIMES OF INDIA in English 2 Jul 83 p 9

[Text]

NEW DELHI, July 1.

MR. Chandra Shekhar said today the country could proceed with lopsided priorities by denying basic needs to the people only at the peril of plunging the nation into chaos and violence.

The only lesson the Janata padyatri said he learnt from his long march was that the people had not given up hope. But their privation mocked at our claim to be civilised.

Mr. Shekhar, who was addressing a luncheon meeting of the Press Club of India, outlined his plans to mobilise public opinion in favour of rearranging the priorities. He conceded that the Janata party as at present was not equipped for the task on its own. He would seek the support of other parties and also of those people who are at present outside the orbit of political activities.

He lamented that political parties had become ineffective in focussing attention on problems of the poor. As for the role of Parliament, at least the poor in the village seemed to be totally unconcerned.

He made it clear that he was not advocating partyless democracy, nor was he attempting to be another Mahatma or J. P. Narayan. There is no escape from party politics or elections, he added.

Mr. Shekhar said his padayatra was not political in nature. He wanted to see social transformation and he found the response was overwhelming.

He regretted that protest meetings in the countryside were branded as

extremist in character or foreign-inspired or engineered by anti-social elements and then crushed. The media also used such descriptions. The regional press, he said, however reflected the mood of the people in a better perspective than the national press.

Mere bookish knowledge of problems of the poor or dependence upon survey reports of the planning commission could not help develop proper perception of the problems of the people.

It was because of this lack of proper perception that planners allowed Rs. 1,000 crores to be spent on beautification of Delhi while many parts of the country faced acute shortage of drinking water.

Referring to the Punjab situation, Mr. Chandra Shekhar said he got the impression after a meeting with the Prime Minister about nine months ago that the problem could be solved.

No one could doubt the patriotism of Sikhs and Akalis. Why should not the government accept the demand of the Akali Dal to set up a judicial commission to inquire if they were shielding criminals in places of worship.

Earlier, welcoming Mr. Chandra Shekhar, the president of the Press Club of India, Mr. J. D. Singh, said his padayatra was unique in political history. He said the padayatra was not a unique feat of physical endurance but more than that it had political and moral significance. It was the beginning of an era of hope, Mr. Singh said.

CSO: 4600/1381

CPI LEADER COMMENTS ON RELATIONS WITH CONGRESS-I

Bombay THE TIMES OF INDIA in English 2 Jul 83 p 5

[Text] HYDERABAD, July 1--The CPI is not seeking any rapprochement with the Congress (I), according to a party spokesman.

Mr. Raiasekhar Reddy, secretary of the CPI national council, told newsmen here today that speculation in this regard following the recent meeting between the Union finance minister, Mr. Pranab Mukherjee, and the party's general secretary, Mr. Rajeswara Rao, was "unwarranted."

He said the meeting took place at the invitation of Mr. Mukherjee. The two leaders discussed Mr. Rao's article in the CPI journal which had criticised Mrs. Gandhi's "communal" role in the recent Jammu and Kashmir elections. At the end of the meeting, Mr. Mukherjee could not have been happy about it, Mr. Reddy remarked.

He said Mr. Rao had never accused Mrs. Gandhi of being a communalist but certainly charged her with "pandering" to the Hindu communal sentiments in order to capture votes in the recent Jammu and Kashmir assembly elections.

The result was "communal polarisation" of votes in the Jammu region. The overall effect of the Congress (I) strategy was dangerous, Mr. Reddy observed.

He, however, denied a suggestion that the CPI argument was little short of regarding Mrs. Gandhi a "communalist." He accused Mrs. Gandhi of "dragging" the Punjab issue again with a view to deriving electoral advantage. Similarly, she would not mind the same situation developing in other states like U.P., Bihar or Madhya Pradesh for similar motives.

CSO: 4600/1381

HARYANA MINISTERS' RESIGNATIONS ACCEPTED

New Delhi PATRIOT in English 3 Jul 83 p 1

[Text] CHANDIGARH, July 2--resignations of five Haryana Ministers and a parliamentary Secretary were accepted by Governor G D Tapase here today.

In view of the increase in the dissident activity in the State Congress-I legislature party Chief Minister Bhajan Lal had dismissed two dissident ministers on 27 June on the ground that he had lost confidence in them. The two dismissed members are Mr Phul Chand and Mr Lechman Singh.

The ministers whose resignations were accepted on the recommendation of the Chief Minister are Agriculture Minister Surinder Singh, Public Works Minister Harpal Singh, Development Minister Sharda Rani, Minister of State for Local Government A C Chaudhry and Minister of State for Social Welfare Goverdhan Dass Chauhan. Besides, the Chief Minister accepted the resignation of Chief Parliamentary Secretary Amar Singh Dhanak.

The six had submitted their resignation letters at the Prime Minister's residence in Delhi on 28 June. They had levelled serious charges against the Chief Minister in their resignation letters.

This is the first major pruning of the Haryana Cabinet after Mr Bhajan Lal assumed office as Chief Minister for the second term on 23 May last year after the State Assembly elections.

Mr Bhajan Lal, who met Prime Minister Indira Ganhi in New Delhi yesterday, was apparently given the 'go ahead' by the party chief in a bid to maintain discipline in the party.

None of the dropped ministers was available for comments. However, according to informed sources, the dissidents were busy chalking out their future course of action.

Apparently disappointed with the high command's decision, the dissidents who have been camping in Delhi for the last one week have started returning to the Union Territory to mobilise support.

Some opposition legislators are likely to join the ruling Congress-I legislature party. Their applications are understood to be already pending with the Chief Minister.

Portfolios

Mr Bhajan Lal retained the portfolios of most of the five Cabinet Ministers while distributing the remaining among some of his cabinet colleagues.

Housing Minister Kalyan Singh has been given additional charge of development and panchayats and elections. Minister of State for Home Lachhman Dass Arora will hold independent charge of Revenue, Rehabilitation consolidation and Forests.

Minister of State for Transport Chanda Singh will look after technical education and sports.

Industry Minister Shakuntla Bhagwari will have the additional charge of social welfare welfare of Scheduled Castes and backward classes.

Mr Bhajan Lal would keep with himself the portfolios CPWD (B and R), Agriculture Wild Life Preservation, Local Government, Cultural Affairs and Tourism, held by the former ministers.

Mr Bhjan Lal said he had no plan to drop any other minister from his ministerial team of 16--ten Cabinet Ministers, including the Chief Minister, and six Ministers of State, beside a Parliamentary Secretary.

Replying to a question about the expansion of his ministry, Mr Bhajan Lal said it would be down at an appropriate time.

Meanwhile, the high command has asked Mr Bhajan Lal to go slow in filling up the vacancies.

CSO: 4600/1383

PRESS REPORTS POOR INDUSTRIAL RESULTS FOR YEAR

Tiwari Report to Panel

New Delhi PATRIOT in English 6 Jul 83 p 4

[Text] The downward trend in industrial production in the country has remained unabated despite several measures by the Government to arrest it.

Information given by Industry Minister N D Tiwari at the consultative committee meeting of his ministry on Tuesday showed the industrial production registered a growth of 3.7 per cent during 1982-83.

This growth of 3.7 per cent during 1982-83 was considerable lower than 8.6 per cent achieved during 1981-82.

The decreasing trend has continued during 1983 also with industrial growth in the first quarter of 1983 being only 3.4 per cent. It is noteworthy that the growth in the first quarter of 1982 was nearly 6.5 per cent.

The world-wide economic recession severe drought conditions in the country with its consequential effect on farm output and depressed market demand from the rural areas were some of the contributory factors for the 'somewhat lower level of performance' the Minister told members of the consultative committee.

Noting that the industrial production registered a growth of about 3.7 per cent, Mr Tiwari hastened to add that there were already unmistakable signs of recovery.

'The provisional index for March 1983 shows an increase of 7.5 per cent over March 1982 and quick index for April shows 4.5 per cent over April, 1982' he said.

Mr Tiwari pointed out that despite the lower performance in the industrial sector, the climate for investment remained favourable during the year. Capital approvals including bonus issues and loans, granted by the controller of Capital Issues amounted to Rs 1.042 crores an increase of 11.7 per cent over the previous year.

With a view to ensuring that industrial units continued their efforts to maximise production, the operation of the scheme to give positive production

orientation to them has been extended by another year from 31 March this year. (The main feature of the scheme was that industrial units could apply for the endorsement of a higher capacity on the licence or registration of certificate based on best production achieved during any of the five years ending and including 1981-82 plus one-third thereof. It was earlier extended up to 31 March 1983).

Reviewing the export performance, Mr Tiwari said the total value of exports had increased from Rs 103 crores in 1977-78 to Rs 280 crores in 1982-83--an increase of about 180 per cent in five years.

In the manufacturing sector, Mr Tiwari said the important industries which had shown a growth of over 10 per cent in 1982-83 were newsprint, polysterene, G I spun pipes, mining machinery, scooters and motor cycles, crude petroleum, compressors, sugar machinery, rail moving equipment, boilers, Nylon filament yarn and cement.

Negative Growth Rate

Industries which had shown a negative growth rate included caustic soda, soda ash, paper and paper board, penicillin, streptomycin, machine tools, tractors, electric motors, railway wagons, commercial vehicles and storage batteries.

There was a substantial increase in the number of industrial approvals accorded by his ministry. He informed the members that 1024 letters of intent were issued in 1982-83 as against 966 in the previous year. Of them 173 were issued in 'no industry districts' as against 10 in the previous year.

Referring to the extension of the production-orientation scheme by one year, Mr Tiwari clarified that it did not refer to items reserved for the small scale sector or to industries subjected to special regulation or capacity constraints.

Regarding the performance of the public sector, the minister said a majority of them fared well during 1982-83. Most of them either achieved or exceeded their production targets.

The Minister also reviewed the performance of the small scale sector and the khadi and village industry sector. He said the export performance of the small scale sector was noteworthy.

The value of exports went up from Rs 1,686 crores in 1981-82 to Rs 2,390 crores in the following year--representing 26 per cent of the total exports of the industrial sector.

He said a National Institute of Entrepreneurship and Small Business Development was being established in New Delhi and it would be the apex body to co-ordinate the work of various agencies involved in entrepreneurship development and training.

More on Results

Calcutta THE STATESMAN in English 7 Jul 83 p 7

[Text] NEW DELHI, July 6--An official analysis of the industrial performance in the country suggests that production is virtually stagnant and that only a slow improvement has taken place. Growth this year will depend on the behaviour of the monsoon and infrastructural facilities will continue to improve.

Production in 1982-83 is now estimated as having increased by 3.5% over the previous year when it was higher by 8.6% after 4% in 1980-81. A review of the year shows that the improvement has been gradual and picked up in any noticeable manner only towards the end of the year.

The year began with a healthy 6% rise in the first quarter followed by a growth rate of 2.1%, 2.9% and 3.1% in the next three quarters. The rate of growth works out to 4% in the first half of the year and 3% in the latter half. The index of production was only marginally above that of the previous year each month and in January, 1983, was actually lower than that in January 1982.

The review admits that whereas both in 1981-82 and in 1982-83, the three major divisions--mining and quarrying, electricity generating and manufacturing--maintained positive growth rates, there was a deceleration in the growth rate in 1982-83 compared to 1981-82.

Particularly in the manufacturing sector, which constitutes 81% of the weight in the industrial production index, the growth rate fell from 7.7% in 1981-82 to 1.8% in 1982-83. This happened even though 11 out of 18 industry groups in the manufacturing division constituting 43% of the weight in the index showed positive growth.

Ten other industry groups with a weight of 42.6% in the general index showed positive rates of growth in both the periods. One group--wood and cork--actually showed negative growth while four groups with a weight of 18.6% showed a marked fall.

The review shows that the industrial sector in 1982-83 operated against the backdrop of recessionary conditions and sluggishness in the growth in industrially-developed economies, a severe drought in the domestic agricultural sector, power shortages and a year-long textile strike.

The composite index of industrial production of infrastructural industries--electricity, coal, saleable steel, petroleum refinery production, crude oil and cement which account for a weight of 23% in the index, recorded an overall growth of just 8.4% in 1982-83 compared to 13.7% in 1981-82.

The revenue-earning freight of the railways in 1982-83 was only 3.1% higher than that in 1981-82 whereas it was 12.9% higher in 1981-82 than in 1980-81. The figures are indication of stagnation.

PLANNING MINISTER REPORTS TO PARLIAMENTARY PANEL

Calcutta THE SUNDAY STATESMAN in English 3 Jul 83 p 1

[Text] NEW DELHI, July 2--States have been asked by the Planning Commission to ensure adequate resource mobilization and observe strict financial and fiscal discipline so as to avoid shortfall in plan investment, reports PTI.

The Planning Minister, Mr S. B. Chavan, had impressed on the Chief Ministers the need for raising additional resources through suitable measures. This was for stepping up plan outlays.

The Minister told the consultative committee of Parliament attached to his Ministry today that this was necessary for increasing production, building infrastructure and extension of social services, particularly in rural areas. Mr Chavan was optimistic about the Sixth Plan's targets in some of the vital sectors.

He said that the mid-term appraisal of the Plan was now at the final stage and would be presented to Parliament at the coming session.

He said some sectors were causing a little concern--like coal. While the Plan requirements would be met, it had to be ensured that a basis for the Seventh Plan was established.

The Minister mentioned about the significant output of commercial crops like sugarcane, cotton, tea and coffee and in sugar, vanaspati, jute and paper. Commercial vehicles plan targets would likely be exceeded, he added.

About 139.5 billion units of electricity were produced against a target of 140 billion units. Additional generation capacity of about 14,500 MW was likely to be achieved against the Plan target of 19,666 MW. The production of coal during 1982-83 at 131 million tons was nearly equal to the target, he said.

The progress on the oil front had been encouraging. The Sixth Plan target for crude production had been raised to 27.52 million tons. In the Railways sector, the revenue originating traffic was likely to be 227 million tons during 1982-83, the Minister said.

The performance of the Railways had been kept up by a major effort, in electrification, track renewal and rolling stock, he said. There would be no difficulty in meeting the Plan requirements. But in this sector too the Planning Commission's effort was to see that the Seventh Plan was not adversely affected by investment tapering off.

On the agricultural front, despite a severe drought foodgrain production in 1982-83 would be about 128 million tons. Wheat production of 41 million tons was a new record.

The Minister said that he had urged the Chief Ministers to adopt innovative measures like mopping up agricultural surpluses, particularly of the affluent farmers, by taxation and other means. This was to divert their savings for investment in State projects.

He said that during 1983-84, three States would be extended advance Central assistance to have their annual plans of reasonable size. They were Kerala (Rs 8 crores), Orissa (Rs 10 crores) and West Bengal (Rs 69.05 crores). Central assistance had been stepped up by Rs 1,650 crores to augment the Plan resources of all the States, he added.

Replying to questions, Mr Chavan said that the first report of the Economic Advisory Council was being examined by the respective Ministries. The report, along with the suggestions of the panel of economists, would be studied so as to ensure there were no inconsistencies.

Expressing concern over the tardy implementation of various State development schemes, he hoped that the States would do their utmost to ensure efficient implementation. The programme evaluation organization of the Planning Commission was already evaluating a number of such schemes and corrective measures would be taken wherever needed, Mr Chavan said.

The meeting was attended by Mr S. A. Doral Sebastian, Mr N. Dennis, Mr Amal Datta, Mr C. B. Athare Patil (all Lok Sabha members), Mrs Mohinder Kaur, Mr G. R. Matto, Mr Shiva Chandra Jha, Mr Roshan Lal and Mr Indradeep Sinha (all members of the Rajya Sabha), Members of the Planning Commission, Mr A. M. Khusro and Mr Mohammed Fazal, were present.

CSO: 4600/1387

PLANNING COMMISSION SEES SHORTFALL IN FOOD OUTPUT

New Delhi PATRIOT in English 6 Jul 83 p 5

[Text] The Planning Commission visualises a shortfall of six million tonnes in the food production target of 154 million tonnes set for the end of the sixth Plan in 1984-85, reports UNI.

Cropwise the Plan envisages a target of 63 million tonnes for rice, 44 million tonnes for wheat 32.1 million tonnes for other cereals and 14.5 million tonnes for pulses making a total of 154 million tonnes.

This implies an annual increase of 2.6 per cent over the achievement of 131.90 million tonnes in 1979-80.

Only wheat has been keeping pace with the Plan targets with the output increasing 'at an enviable rate of six per cent' annually during the Plan. This is more than adequate to realise the target if the present tempo is maintained.

The rice target of 63 million tonnes, set for 1984-85, is considered a little too ambitious given the past trend.

The upsurge in rice production in recent years has been largely confined to the wheat heart-land of Punjab, Haryana and Western Uttar Pradesh.

The new crop varieties are also making some headway in the traditional rice growing areas. The State Governments are also assisting rice production through various schemes.

Despite all these efforts, the Plan target of rice production is unlikely to be achieved in and a shortfall of three to four million tonnes is expected.

Of 32.10 million tonnes set for other cereals like jowar, bajra and maize is lower than the fourth Plan target of 38 million tonnes.

Production of pulses has been increasing at an average of a mere 0.8 per cent per annum in the last three decades and an increase of 2.9 per cent per annum over the 1978-79 level 'appears to be rather too high.' In fact shortfall of one to two million tonnes in pulses is likely.

Thus, the production level to be achieved at the end of the sixth Plan may be around 146 to 148 million tonnes, according to the Planning Commission.

This analysis, however, does not show any apparent stagnation in agricultural production, the commission has emphasised.

With favourable weather condition and with the current development efforts, the targets for agricultural production are likely to be achieved to a large extent, the commission feels.

CSO: 4600/1392

BANGALORE PLANT TO ASSEMBLE MORE JAGUARS

New Delhi PATRIOT in English 6 Jul 83 p 5

[Text] BANGALORE, July 5 (UNI)--India will assemble 31 Jaguar deep penetration and strike aircraft in addition to the 45 originally planned.

Sources at the Hindustan Aeronautics Limited here told UNI that the Government had approved a proposal in this regard recently. The current plans were to assemble 45 aircraft and acquire 40 from the British Aerospace, the manufacturer. Four of the Anglo-French aircraft have already been delivered to the Indian Air Force.

The project, estimated to cost Rs 3,500 crores, would keep the Bangalore complex of HAL busy until 1990. The Jaguars would be assembled with indigenous equipment manufactured out of imported raw material. The assembly would be in six phases.

The HAL would assemble eight aircraft this year. The production would be stepped up to 15 next year.

The HAL units at Lucknow, Hyderabad and Bangalore manufacture Jaguar accessories like tooling equipment, structural bracket, bearings, control systems from imported raw components. The aircraft assembled after 1985 would have 70 per cent indigenous spare parts.

The British Aerospace had despatched Jaguar kits to the HAL with "extra modifications" based on special requests made by the IAF. The modifications were modernised weapon system with special accessories, a revised engine and specific radar fixing arrangement.

The Indian Navy would purchase six Jaguars in 1985 for its navigation system.

Though the Jaguar was "outdated" in aircraft technology in developed countries, it was still "best suited" for India in view of its deep penetration capability and cost compared to the latest MiG.

CSO: 4600/1392

COMMISSION BEGINS WORK ON SEVENTH 5-YEAR PLAN

Bombay THE TIMES OF INDIA in English 4 Jul 83 p 3

[Text] NEW DELHI, July 3 (PTI)--THE seventh five-year plan is on the anvil, according to planning commission sources.

Preparatory work for the seventh plan has started even while the mid-term appraisal of the sixth plan is being finalised for presentation to parliament in the coming session.

The sources say that suggestions and ideas for the next plan will be welcome from whichever quarter they came. There is "no question of a plan holiday."

With three years of the current plan completed and the fourth in progress, the commission feels confident that the performance is going to be quite satisfactory, considering the odds.

3 Major Areas

Against a total plan outlay of Rs. 97,500 crores envisaged for the public sector, the investment so far has been around Rs. 80,000 crores at current prices and much less in real terms. The outlay has necessarily to be stepped up and the matter would be taken by the full commission due to meet shortly to consider the mid-term appraisal.

The commission has been concentrating attention on three major areas of concern; power, agriculture and irrigation.

By the end of the sixth plan, electricity generated is expected to be 191 billion units and by 1982-83 end 139.5 billion units were generated. It should be possible for the energy ministry to take concerted action to reach the target, the commission feels.

In terms of installed capacity, the targets are unlikely to be achieved. In the first three years of the plan, only 7058 MW were added. In 1982-83 alone about 3060 MW were added. The total achievement is likely to be about 14,500 MW against the target of 19,666MW.

Field Channels

The commission sources say that there had been slippages in the public sector manufacture of power equipment in the first two years. But there has been "substantial" improvement in the third.

In the field of agriculture, the commission feels that despite the setbacks it should not be difficult to reach the target of 142 million tonnes in 1983-84, given a normal monsoon.

In regard to irrigation, the third area of concern, the states have been specially urged to concentrate on construction of field channels and to ensure full utilisation of irrigation potential created. While productivity has been quite satisfactory in general, there are areas like eastern U.P., West Bengal, Orissa and parts of Madhya Pradesh which need greater attention. The concerned states have been told to look into the problem.

The commission feels that land reforms hold an important solution to the problem of raising productivity. The states have been asked to get the stay orders of courts against the laws vacated quickly. Meanwhile, they should speed up distribution of surplus land already in their possession. Fifty-five per cent of the land distributed so far has gone to landless scheduled castes and scheduled tribes.

The commission is satisfied that the states as a whole have exceeded the targetted figure of additional resource mobilisation. But there are other factors in resources. The states revenues have been eroded by their resort to considerable non-plan expenditure. They have also granted additional facilities to their employees through pay commission awards.

CSO: 4600/1388

TANDON COMMITTEE RECOMMENDS FREE TRADE ZONES

Calcutta THE SUNDAY STATESMAN in English 3 Jul 83 p 9

[Text] NEW DELHI, July 2--The Government has decided to establish four new free trade zones in the country, bringing the total to six. The new zones are to be set up at Nodia, in U.P. (adjacent to Delhi), Palta in West Bengal, Madras in Tamil Nadu and Cochin in Kerala.

This answers a long-standing need to boost exports and is in line with the recommendations of the Tandon Committee on Free Trade Zones and 100% Export-Oriented units, in its final report submitted to the Government last September.

The palta free-trade zone is to be provided with Rs 10 crores for the infrastructure required for its launching. Presumably, infrastructure will be developed as well in the other selected sites also.

The palta zone also meets a need felt for the development of export and industry in West Bengal. The proposal for it was first made in 1976, but was not then approved by the Planning Commission. It was revived by the Commerce Ministry in 1980 and was recently taken up on a priority basis by Mr Pranab Mukherjee, Minister for Finance.

Other sites will be selected, as the Tandon Committee suggested the establishment of five to six more zones for the promotion of exports. In its final report, it suggested that the zones be set up in a selective manner along the coast to provide an outlet for the growing export trade.

The Committee felt that the benefits of the zones should be carefully examined and that they should offer an international competitive package of incentives and infrastructure facilities, combined with speedy decision-making and freedom from control, rules and procedures.

No decision has yet been taken on the committee's recommendations that a single commercially-oriented control body, an autonomous Free Trade Zone Authority of India, be established to fulfil the functions of setting up, building, developing and controlling directly the zones and 100% export-oriented units. This is intended to liaise with air cargo complex inland container points, dry ports and such other facilities as would directly contribute to exports.

The committee has also recommended that the existing practice of allowing duty free imports of inputs required by some enterprises and ensuring the availability of the local inputs at international prices be continued.

The tax holiday of five years offered to free zone enterprises under the 1982 Budget had been considered as inadequate, and it has recommended extension of the period to 10 years. After 10 years, a further concession up to a maximum of five years has been suggested on a selective basis, depending on the export performance of the zone units.

The committee has also recommended that the concept of tax holiday be expanded to cover other elements like dividends, royalties and interest on foreign loans.

On investment, the committee has recommended that large firms, Indian and foreign in India and those abroad, which have the technological capacity, marketing know-how and contacts, should be encouraged to invest in the free trade zones.

CSO: 4600/1387

REPORTAGE ON VISIT OF CANADIAN FOREIGN MINISTER

G. K. Reddy on Talks

Madras THE HINDU in English 5 Jul 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, July 4.

An earnest attempt is being made by both India and Canada to restore and intensify mutual cooperation in political and economic spheres covering bilateral relations and international obligations.

At the Indo-Canadian talks today, the two sides agreed to work together to end the current impasse in North-South relations, while extending their bilateral economic links in mutual interest.

The visiting Deputy Prime Minister and Foreign Minister of Canada, Mr. Allan J. MacEachen, told the External Affairs Minister, Mr. P. V. Narasimha Rao, at a two-hour meeting this morning that Canada was generally sympathetic to the aspirations of the developing countries and that it was taking a positive interest in the proposals of the non-aligned summit for ending the current disequilibrium in North-South relations. But the Canadian Prime Minister, Mr. Pierre Trudeau, has not yet decided on his response to the suggestion for a gathering of world leaders in New York during the next U.N. General Assembly session for talks on global economic problems.

Monetary meet proposal: In dealing with the proposal for an international conference on money and finance for development, he said the Williamsburg summit decision to actively associate the IMF with the Western idea of convening another Bretton Woods type conference to review the world monetary situation offered the possibility of the developing countries being associated with these discussions through the relevant committees of the IMF on which they are represented and, therefore, entitled to participate in them.

The Canadian Deputy Prime Minister also reiterated his country's support to the Indian plea for eligibility to borrow from the Asian Development Bank, despite the U.S. opposition to it. He was also equally reassuring in his references to Canada's role in the fulfilment of IDA VI quotas and IDA VII replenishments to make more funds available for developing countries on concessional terms.

Despite their continuing differences over issues like Afghanistan, Kampuchea, Namibia,

West Asia, Central America and Pakistan's re-admission to the Commonwealth, India and Canada were fully agreed that quick solutions should be found to some of the problems to avert the dangers of further international conflicts.

Possibilities of conciliation: As countries that worked together closely on international commissions in the Indo-Chinese States, India and Canada were aware of the possibilities of conciliation in tackling even the most intractable problems. So they agreed to work together through every available forum to defuse tensions and promote better international understanding wherever possible.

The Indian appreciation of Canada's helpful attitude in handling the Khalistan stunt was conveyed by Mr. Narasimha Rao to Mr. MacEachen, after he explained the steps taken to prevent misuse of Canadian territory for carrying on any hostile activity directed against India with which Canada had friendly relations. An assurance was also given that Dr. Jagjit Singh Chauhan would not be permitted to enter Canada on any political purpose to mislead the local Sikh community with propaganda about the Indian Government's attitude.

The political talks were followed by wide-ranging economic discussions which will be concluded tomorrow after further exchanges with the Ministries concerned on increased bilateral cooperation. The Canadian Deputy Prime Minister will be calling on the Prime Minister, Mrs. Indira Gandhi, with a personal message from Mr. Trudeau to assure her of Canada's cooperation in her efforts to bring about a resumption of North-South dialogue.

Collaboration offers: India has agreed to consider Canadian offers of collaboration in the mining of lead and zinc in Rampura Agucha in Rajasthan involving an investment of Rs. 520 crores, the Singhbhum copper mine in Bihar, the computerisation of railway transport, the manufacture of Twin-Oter aircraft and engines at Hindustan Aeronautics Limited, the Chamera hydro-electric project in Himachal Pradesh, thermal power plant in Bihar and supply of equipment for offshore oil exploration.

Canada To Give Technical Aid

Bombay THE TIMES OF INDIA in English 6 Jul 83 p 9

[Text]

NEW DELHI, July 5.

CANADA has agreed to facilitate transfer of technology to India for oil and gas exploration equipment and offered co-operation in the areas of mining, energy and the manufacture of the light transport aircraft, "Twin Otter".

The visiting Canadian deputy prime minister, Mr. Allen J. Maceachen, had talks with the prime minister, Mrs. Indira Gandhi, today on the world situation and bilateral economic co-operation between Canada and India. The two leaders discussed the stalemate in the North-South dialogue and the proposals made by the non-aligned summit in this regard.

Mr. Maceachen, who was with Mrs. Gandhi for 45 minutes, renewed the invitation of his premier to Mrs. Gandhi to visit Canada. He also complimented India on its economic progress and expressed his country's keen desire to be of help on the North-South issues.

Mr. Maceachen later told a press conference that he was very happy with the talks he has had with the prime minister and other ministers including the defence minister, Mr. R. Venkataraman.

The Canadian deputy prime minister said that the proposals for a summit-level meeting in New York and for convening an international conference on money and finance were discussed during his talks here.

Replying to a question, he said it would be possible for Canada to be present at the proposed summit-level meeting. Meanwhile, Canada was eager to learn more about the organisation of this informal meeting.

Canada believed that any call for an examination of the international monetary system was not a vote of no-confidence in the International Monetary Fund.

Canada, however, agreed with the view that the integrity of IMF should not be undermined. Mr. Maceachen said that the decision of the Williamsburg summit was to have the issue examined by a group of finance ministers. "We do not know what will happen", he said.

On the issue of resumption of nuclear co-operation with India Mr. Maceachen admitted having difficulties. He parried a question whether India could get spare parts for nuclear power stations from Canada.

Mr. Maceachen said in reply to another question that he did not discuss with the defence minister any issue related to arms supply.

Press Conference Reported

Calcutta THE STATESMAN in English 6 Jul 83 pp 1, 9

[Text]

NEW DELHI, July 5.—Canada does not particularly relish the idea of Canadians of Indian origin bringing in Indian political problems or the sort of activity involved in the Khalistan issue", the Canadian Deputy Prime Minister and Secretary of State for External Affairs, Mr. Allan J. MacEachen, told a Press conference here today. The Indian authorities were satisfied with the steps Canada had taken, he said.

Answering a question on that subject, he added that Canada had already imposed visa requirements "so that those who come in are bona fide immigrants". He felt it was a major move to deal with the problem of people who come as visitors and then claim refugee status.

Mr. MacEachen noted that his country had some 200,000 people of Indian origin who were encour-

aged to take an interest in Canadian life. "But we cannot prevent free speech, or freedom of assembly".

Mr. MacEachen was asked whether they could be checked from propagating... the Khalistan idea. Mr. MacEachen's answer was that they were all subject to Canadian law. "That is the reality".

The Khalistan issue, he said, did not come up in his talks with the

Prime Minister today.

In his initial remarks, Mr MacEachen noted that his visit was an important one, and its purpose was to reassert Canada's interest in India, and put greater economic and commercial substance into the relations between the two countries.

He disclosed that Mrs Gandhi had spoken to the Canadian Prime Minister, Mr Pierre Trudeau, over the telephone just before the Williamsburg summit. As a result, at that conference, Canada had supported the idea of a high-level meeting on the international monetary system. "I would personally regard it as a push in the right direction", he said.

He later added that he hoped that a call for an examination of the international monetary system "is not a vote of non-confidence in the International Monetary Fund".

Asked about his meeting today with the Defence Minister, Mr R. Venkataraman, Mr MacEachen said that Canada was keenly interested in the considerable number of light transport aircraft required by India. "We are in a position to supply these". He had not, he added, discussed sale of arms. "We discussed the particular question relating to light transport aircraft", he said.

Asked about the usefulness of UNCTAD VI, he said it had made some progress in some areas. "We did not expect it to do more".

He was asked about the coolness that had existed between the two countries since 1974 (following the Pokhran explosion), and about the reasons for the current Canadian reappraisal of bilateral relations. The crux of his answer was that "India and Canada understand each other's points of view".

Earlier, briefing reporters about the meeting between Mrs Gandhi and Mr MacEachen, the official Indian spokesman said that it was a very friendly meeting and that it had lasted 45 minutes. Bilateral matters were discussed. And both

shared the need to strengthen and promote commercial and economic relations between the two countries. They had also discussed the NAM summit and the proposals it had made.

Mr MacEachen complimented India on its economic progress. He expressed Canada's keen desire to be of help on North-South issues.

UNI and PTI add: Canada is considering assisting India in laying a 1,800 km natural gas pipeline from Bombay High to the six proposed fertilizer plants in Madhya Pradesh, Rajasthan and Uttar Pradesh.

Mr MacEachen said that his country was willing to transfer its sophisticated technology for the purpose.

During his talks with Indian leaders, the two sides are understood to have also discussed the question of providing funds for the \$800 project through the Canadian Export Development Corporation.

The Union Energy Ministry has a proposal to execute the massive gas pipeline project, the first of its kind in the country, through a consortium of two Canadian and three Indian companies.

Canada has also agreed to facilitate transfer of technology for exploration of oil and natural gas to India with a credit pledge of Rs 9.6 crores on rig technology to Bharat Heavy Electricals.

Mrs Gandhi and Mr MacEachen today underscored the need to strengthen economic and commercial relations between the two countries.

Mr MacEachen, who called on Mrs Gandhi, here renewed Mr Trudeau's invitation to Mrs Gandhi.

They exchanged views on the proposal to have a meeting of Heads of State at New York coinciding with the U.N. General Assembly session scheduled to be held in September.

Mr MacEachen called on President Zail Singh at Rashtrapati Bhavan. The meeting lasted about 30 minutes.

CSO: 4600/1390

BRIEFS

TAMIL NADU MINISTERS--MADRAS, July 1--Three new ministers were administered the oath of office and secrecy by the Tamil Nadu governor, Mr. S. L. Khurana, at Raj Bhavan here today, raising the strength of the state cabinet from 18 to 21. The new entrants are Mr. M. R. Kavendan, whose portfolio is backward classes. Miss P. Vijayalakshmi, khadi, and Mr. S. R. Radha, fisheries. [Bombay THE TIMES OF INDIA in English 2 Jul 83 p 3]

NEW ASSAM DISTRICTS--GAUHATI, July 1--With the inauguration of six districts today, the total number of districts in Assam has gone up to 16. The new districts are Kokrajhar, South Goalpara, Sibsagar, Mangaldoi, Barpeta and Karimganj. Sibsagar district has been created by elevating the Sibsagar sub-division. The decision to create the new districts was taken by the Government to "bring the administration closer to the people." Of the six new districts, South Goalpara and Karimganj will share international border with Bangladesh. [Madras THE HINDU in English 2 Jul 83 p 16]

MISSILE-FIRING SUBS--NEW DELHI, Jul 8 (PTI)--Missile-firing submarines may be one of the items in the new list of supplies expected from the Soviet Union as a result of defence minister, Mr. R. Venkataraman's recent visit to Moscow. Defence experts here say that if reports about the acquisition of Soviet submarines are correct, then the Indian navy might have set its eyes on the "Tango" class patrol subs which, according to the "Jane's fighting ships", may be able to launch the SS-N-15, "Subroc" type, anti-ship rockets. The "Jane's" also reports that the "Tango" class carries eight 53.3 cm torpedo tubes and the latest boats are believed to be a few metres longer than its usual 92 metres, "to allow for improved weapon fit." The "Tango" class, which is a successor to the "Foxtrot" class, of which India has eight at present, first appeared in 1972 and the "Jane's" say that they are still being produced at the rate of two to three a year. These subs are specifically designed for operating in shallow waters and it also provides a "quite listening platform", according to the "Jane's". The Soviets have a still improved version of their patrol submarines. They are known as "kilo" class subs, details of which are not available. [Bombay THE TIMES OF INDIA in English 9 Jul 83 p 9]

NEW MEGHALAYA MINISTERS--SHILLONG, July 8--With the induction of one Cabinet Minister and another Minister of State, the three-month-old Meghalaya Democratic Front (MDF) Minister, led by Captain Williamson A. Sangma, was expanded to 20 today. The Governor, Mr. Prakash Mehrotra, administered the oath of

office and secrecy to Mr. Oris Lyngdoh (Cabinet Minister), and Mr. Dominic Roblin Nongkynrih (Minister of State) at the Raj Bhavan here. The MDF Ministry now has 15 Cabinet and five Ministers of State. The MDF came to power on April 2 when the one-month-old Meghalaya United Parliamentary Party Ministry, headed by Mr. B. B. Lyngdoh, was voted out of office. The MDF has 37 members in a House of 60 with the Congress (I) having the largest strength of 25, followed by All-Party Hill Leaders' Conference--six, Hills State Peoples Democratic Party--three, Public Demand Implementation Convention (PDIC)--two and one independent. The new Ministers, Mr. Oris Lyngdoh belongs to the APHLC and Mr. Nongkynrih to the PDIC. [Madras THE HINDU in English 9 Jul 83 p 1]

SOVIET AID TO RANCHI--MOSCOW, July 9 (PTI)--The Soviets have agreed to assist the Heavy Engineering Corporation (HEC) at Ranchi to achieve a higher level of technological self-reliance in designing metallurgical equipment for steel plants. This would mean that the HEC would be making equipment not with bought or gifted designs but would itself design the equipment it manufactured, including blast furnaces, continuous casting machines and sintering plants. This was decided at the first meeting of the Indo-Soviet working group on machine building held here this week, Mr. D. V. Kapur, secretary, department of heavy industry, told newsmen. The Soviet Union and India have now decided to take a major step in production-sharing in the machine-building sector and in conducting co-operative research and development work. India would be able, under the new arrangement, to manufacture with Soviet designs, equipment for the Soviet industry (where the capacity in the USSR is inadequate), procuring Soviet components where necessary. It would also manufacture items, with the technology it already had, to meet the Soviet technological requirements. India and the Soviet Union could also jointly work out the designing and manufacture of products for use either in India or in the Soviet Union or for sale to third countries. This could lead to greater interaction in technological information and long-tailed use of technologies available to both. [Bombay THE TIMES OF INDIA in English 10 Jul 83 p 6]

BORDER SECURITY TIGHTENED--SRINAGAR, July 10--Security arrangements have been tightened all along the 570-km line of actual control as well as on the international border between Pakistan-occupied areas and Jammu and Kashmir following a second unsuccessful bid by Pakistani saboteurs and their local agents in the State to blow up the rail track between Jammu city and Pathankot. According to a senior Army officer Pakistani made explosives were planted to blast the track at Ghagwall village, 50 km from Jammu adjacent to Sialkot in Pakistan on the evening of June 23 just before the Delhi-bound Kashmir Mail was to cross the village. A gangman of the Northern Railway, who spotted the explosive informed railway officials as well as Army authorities posted on the border area. Traffic was suspended till the Army explosive experts removed the explosive from the track. [Madras THE HINDU in English 11 Jul 83 p 1]

BURMA RICE PURCHASES--NEW DELHI, July 10--India has contracted for import of 50,000 tonnes raw rice from Burma close on the heels of the contract to import 70,000 tonnes rice from Thailand. Official sources said the import was meant to strengthen the rice stock position in the Central pool. The increase in the offtake by the public distribution system has led to pressure on the food-grain stocks in the Central pool. The record procurement of wheat in the

current season has resulted in a comfortable position. The rice stock position has been somewhat tight particularly because of the shortfall in kharif production. The decision to go in for rice imports has been taken to help ease the position to some extent. [Madras THE HINDU in English 11 Jul 83 p 1]

NEW PONDICHERRY PARTY--PONDICHERRY July 10 (UNI)--A new political party called the Pondicherry Manila Annan Munnani (Pondicherry State Anna Front) founded by former Chief Minister S Ramasswamy came into being here today. Mr Ramasswamy told newsmen after a meeting of his supporters that among the objectives of the party would be full statehood for Pondicherry, maintenance of its separate status, and more powers for the States to reflect the true federal character of the Constitution. He said the Munnani would have a tricolour of black, white and red as its flag. Mr Ramasswamy said Mr R Seran and Mr K Ramanujan were the secretary and joint secretary respectively. [New Delhi PATRIOT in English 11 Jul 83 p 10]

TOP PREPAK LEADERS--IMPHAL, July 12 (PTI)--The outlawed People's Revolutionary Party of Kangleipak (PREPAK) suffered a major setback "when its three important" leaders, Mr S Ramesh, Devananda Singh and Ibouchou alias Khelwa, were arrested by security personnel during a combing operation at Chakpikarong, 80 kms south-east of here, last Saturday, official sources said today. The sources said six rifles, including one of Japanese make, were recovered from their possession besides a large number of ammunition and incriminating documents. The arrested persons, the sources said, were reportedly involved in the killing of Tomba and Asraf Ali of Sekmai jin area and ambush on police personnel there recently. They also looted villagers of Wabgai, Langemeidong, Kakching and Andro. The combing operation, which resulted in the arrest of three PREPAK leaders, followed reports of movement of self-styled commander-in-chief of PREPAK, Ibomcha alias Wanglen, and his group in the areas, the sources said adding that the PREPAK chief had reportedly escaped in to Burma. [New Delhi PATRIOT in English 13 Jul 83 p 4]

ENVOY TO QATAR--Prof S Bashiruddin, head of the department of communications and journalism in the Osmania University, has been appointed India's ambassador to Qatar. He succeeds Mr I Doodamani. [New Delhi PATRIOT in English 7 Jul 83 p 7]

CSO: 4600/1413

KHOMEYNI SENDS MESSAGE TO ASSEMBLY OF EXPERTS

Tehran KAYHAN INTERNATIONAL in English 17 Jul 83 pp 1, 5

[Text]

On the occasion of the inauguration of the Assembly of Experts, the Leader of the Revolution and Founder of the Islamic Republic of Iran, Imam Khomeini issued the following message:

"In the name of Allah, the Beneficent, the Merciful

By grace the Exalted God's confirmation and Imam Mahdi's (A.S.) support, and according to the Article 107 of the Constitution of the Islamic Republic, the auspicious Assembly of Experts, comprising a number of outstanding ulema and Hojjatoleslams elected by this great nation to appoint a leader or a leadership council, is inaugurated.

It is an assembly which has a basic role in the continuation of the Islamic Republic and its legitimacy. It is an assembly to which the partisans of Islam and the Islamic Republic have attached their hopes and the opponents and enemies have fixed their covetous eyes.

The partisans hope that their representatives who are from among the committed and aware ulema will by their auspicious votes appoint the most aware and most competent Faghih or Faghihs on whom the preservation of the Islamic Republic and its pure Islamic line depend. They hope that in this appointment, their representatives may remember the Exalted God and His Divine supervision in their thoughts, deed, and moods and that they may give precedence to

His satisfaction over their own and others'.

The enemies have cast covetous eyes armed at causing vacillation in this assembly through their agents and thereby driving the Islamic system towards deviation — though in the long run — Heaven forbid.

We know that the superpowers and the regimes dependent on them are not opposed to the Islam of shahs and kings: undoubtedly they support it. They approve one hundred percent the brand of Islam presented to the world by their satanic agents who claim that the ulema of Islam should not interfere in the Muslims' political and social affairs and should not endeavor for the betterment of their situation.

They approve an "Islam" which ignores the judgement of the intellect in approving the decrees of Qur'an and such prophetic narrations as: "The administration of affairs should be in the hands of ulema" and "Refer to those who relate our narrations in the face of events."

It is much better for them that these pseudo-clergy courtiers and those deceived by the satans' political games tie the hands of the committed ulema and conscious Muslims and open the way for the big powers' plunder and domination. They do not fear an "Islam" which supports them but are frightened by the Islam of Imam Ali (A.S.). If that martyred devotee of Islam and true Islamist had

thought like these pseudo clergy and worshipped God in seclusion, treading only the path between his home and the mosque, neither the battles of Seffin and Nahravan nor the battle of Jamal would have occurred, nor would companies of Muslims have been martyred.

If the master of martyrs, Imam Hussein (A.S.) had thought like these individuals and only offered prayers beside the tomb of his grandfather, the great catastrophe of Karbala would not have occurred. The noble friends of God would not have been torn to pieces and the Prophet's household would not have been seized.

If the Prophet of Islam (S.A.W.) had thought like these and only expressed the rituals of worship, he would not have faced so much pain and disaster and there would not have been so many Muslims martyred.

Considering the contemporary ulema, if the late Ayatollah Mirza Mohammad Taghi Shirazi, with his lofty position in knowledge and piety had thought like these, no war would have occurred in Iraq between the Muslims and the British occupiers; so many Muslims would not have been martyred, and Iraq's independence would not have been achieved.

In the present era Russia, the U.S. and Israel certainly confirm and support those regimes that are wholeheartedly at their service — especially the U.S.

For, these subservient regimes, under the name of Islam, support

their (imperialist) interests in the world and are supported by the pseudo-clerical courtiers who oppose an Islamic regime and attempt to destroy the Islam which protests against oppressors as the Prophet (S.A.W.) did. They endeavor to uphold the Islam of shahs and kings and intend to deprive the committed Muslims of Hajj rituals because they (committed Muslims) complain against the tyranny of the U.S. and Israel.

And now you, the Faghihs of the Assembly of Experts and the representatives of a nation that has been oppressed throughout a monarchical history, have accepted a responsibility which is at the peak of all responsibilities you have begun a task upon which the fate of Islam and this struggling and self-sacrificing nation depends.

History and the future generations will judge about you. And God's great servants are observing your thoughts and deeds. And Allah watches over them all.

The slightest carelessness or negligence, the smallest show of partiality and — Heaven forbid — yielding to carnal desires which might cause distraction from religious activities will result in the greatest catastrophe of history.

If our beloved Islam and this young republic be distracted, stricken and defeated — Heaven forbid — Islam will be forgotten for centuries and replaced by the Islam of kings and shahs.

You, the representatives of the oppressed, know that with the elimination of the influences of the plundering superpowers from your Islamic country, they and their dependents felt the nature of Islam and its divine power. They are now lying in wait like a wounded viper to bring deterioration from this divine system. This

they intend either to do themselves or through their heathen followers.

And the most profound deviation — which results in the subsequent deterioration of all organs and organizations — is deviation of the leadership to be determined by you today.

You saw and heard of the opposition and tumult raised against the fifth article of the Constitution. But, praise be to Allah, they did not succeed in accomplishing their mission.

Lately, they have raised opposition and spread poisonous propaganda against this very Assembly of Experts; Praise be to Allah, they have met with failure.

And today also, you should not neglect the ruses of plotters and political sorcerers. Continue in your way with divine power, commitment to Islam and spiritual strength. Do not think of anything except the interests of Islam and the Muslims, and in this case, the Exalted Lord will protect and support you.

It is necessary that I make a sincere, brotherly remark to the honorable leader or the Leadership Council of the future.

A leader or leadership in the divine religions, including Islam, is not something which in itself is valuable. Heaven forbid that it should cause pride and self-conceit in a person. This is the same thing that our master, Imam Ali (A.S.) has warned against.

Basically, God sent prophets on missions for serving His (God's) servants spiritually by enlightening them and taking them from darkness towards light. Prophets were sent for serving the oppressed by administering individual and social justice.

You who regard yourselves as the followers of the great prophets and Imams — and praise be to Allah, that you are — do not think

of yourselves as anyone but the servants of the oppressed nations. You should know that the criminals have fixed covetous eyes on you more so than anyone else. Through their deviant elements of infiltration, even inside your homes under absolutely Islamic and revolutionary masks, they might cause a catastrophe — Heaven forbid. And with one devious action they might draw the entire system towards deviation and thus inflict a blow upon Islam and the Islamic Republic by your hands. For God's sake be very careful in choosing your associates and do not hurry in making decisions, especially in important affairs. You should know, as you do, that the human being is not immune from mistakes. therefore, immediately after becoming certain that you have made a mistake return from it and confess to your mistakes.

This is a sublime human action; whereas, justifying and insisting on the correctness of one's mistake is a defect and a satanic action.

Consult with experts in important affairs and observe precaution.

I have written some matters in thirty pages as my last will and I entrust a copy of it to the auspicious Assembly of Experts so that it may be published after my death.

I implore the Exalted Lord to grant more magnificence to the great religion of Islam to make the Islamic nations successful in uniting together for safeguarding Islam and the Islamic countries, to strengthen the Islamic Republic even more so than before, and to make us worthy to be favored by Imam Mahdi (A.S.).

And peace be upon the righteous servants of Allah.

July 14, 1983. Ruhollah Al-Musavi Al-Khomeini."

PAPER REVIEWS 'BAGHDAD-PARIS ALLIANCE PROSPECTS'

Tehran TEHRAN TIMES in English 19 Jul 83 p 2

[Editorial]

[Text]

TEHRAN (IRNA) - Recently French Premier Pierre Mauro announced that the French government's economic needs necessitated the extending of austerity measures until the end of 1984. He had originally announced that the programme would last until the end of 1983. The reason for this is that the French economy is now facing a great multi-dimensional crisis, which warrants the adopting of drastic measures which would encourage industrial investments, increase in taxes, reduce amount of foreign exchange travellers are allowed when going abroad and strict control on foreign exchange entrance and exit, wrote the daily Jomhuri Eslami in its "Events Analyses" section Sunday under the title of "Baghdad-Paris Alliance Prospects."

"This present and unpredictable economic crisis of the Socialist government is the result of the near complete failure of Mitterrand's economic policies. It has resulted in an increasing number of unemployed amounting to 15,000 persons monthly, (the number of jobless is now over 2.2 million), while the weekly work hours have been cut from 39 to 35 and the workers are allowed more flexibility in securing leave, however without pay.

"The value of the Franc is decreasing every day, and prices are fueling inflation. Who is responsible for this sickness of the economy? Can the French nation understand the answer to this question amid the much distorted picture their media gives them every day? Will they be able to realise that it is their government which has tied the fate of their country to that of the crumbling Iraqi regime? Can it (government) ever be able to justify continuous flow of French arms and war materials for Saddam while the French people are suffering and their government plagued by enormous foreign debts?

"The French government tries to hide the real amount of its foreign debts from its citizens and has sufficed at saying that it is some 370 billion francs. One can correctly conclude that the Socialist government has adopted an unrealistic policy and blindly follows the U.S. advice to prop up the regime of Saddam which is already reeling and ready to crumble under the weight of its staggering economic and political problems.

"Economically-speaking, one can say that the Socialists in France are in dire need of Iraq's petrodollars, therefore it is imperative that it keep up its steady flow of arms, presently amounting to 41.5 million francs, (5.5 billion dollars) to Iraq. However Saddam has fallen far short of delivering to France some 50 to 70 thousand barrels of oil per day in past payment of arms purchases.

"Mitterrand has also sought to allay French citizens' fears by giving to each male, working or unemployed 6500 francs. He has also agreed to extend the period of the Iraqi regime's trade debts worth 2.3 billion dollars. In short the French government because of the high stakes it has invested in Iraq stands to suffer a great deal more, not to mention a defeat in elections or even a vote of no confidence if its present stand fails to result in tangible benefits in an immediate future.

"Politically speaking Mitterrand and Saddam's interests have converged because of their hatred for the Islamic Republic.

"The hostile position of the ruling French socialists vis-a-vis the Islamic Revolution of Iran is reflected in its providing refuge for the Iranian terrorists and political bankrupts. Contemporary socialism boasts of not other socialist governments except France which whole-heartedly supports Tel Aviv's policies against the Palestinian Revolution and the deprived Lebanese people, as is indicated by its dispatching of soldiers to Lebanon for the purpose of further subjugating the Lebanese people.

"In other words, the Paris, Tel-Aviv, and Baghdad connection stems from the similarity in the nature and views of the three parties. Thus their positions are cemented and actions coordinated and directed at overthrowing the Islamic Republic and defeating its combatants. Since their fate is tied to each other then the fall of one will ultimately lead to the fall of the other.

CSO: 4600/786

IRP ORGAN ANTICIPATES MITTERRAND'S 'DOWNFALL'

Tehran TEHRAN TIMES in English 16 Jul 83 p 2

[Editorial]

[Text]

TEHRAN (IRNA) - "A Vanguard for the Socialists' Misfortune" was the title of a Wednesday editorial of the morning daily Jomhuri Islami which explored the motives behind last week's hijacking of an Iran Air jet plane which the hijackers re-routed to Orly Airport, Paris.

The unfortunate French Socialists, who sent two Mirage planes to welcome the hijackers, hoped that by opening the doors to a number of bandits they could compensate for their foreign policy failure in supporting Iraq in its imposed war against Iran.

Although the event was meant to overshadow "International Qods Day," it should not be forgotten now that the Socialists' conspiracy failed to achieve its fancied ends, the editorial noted.

It is irrational to accept that the French Socialists were not aware of the incident in advance since as soon as the commandeered plane touched the ground at Orly, the chief turncoat MKO leader Massoud Rajavi who fled Iran and is living in France was invited to the control tower and was taken to the airport by helicopter to stage manage the farce, the article wrote.

It further added that in this respect Paris hoped to gain advantages, no matter how low in scale, in order to stage a propaganda against the Islamic Republic and to this end did not condemn such a terrorist act in order to have more freedom for cooperation with the hijackers.

Noting that France has so far made no response to Iran's call for the extradition of the hijackers, the editorial stressed that the Socialist government should be questioned by world public opinion for such open support of hijacking and sheltering of terrorists.

The paper, commenting on the inability of the French government to administer the country, wrote that the governmental incompetence was too obvious to be lost to the French people, regardless of these maneuvers.

The Socialists, on arrival at the Elysee Palace, reached the conclusion that if the situation was to be continued in the same manner, soon multi-national companies, banks and industries would withdraw their capital from France thus plunging the country into headlong bankruptcy.

Therefore, the paper wrote, they deemed it wise to directly become involved in the Iraqi imposed war and by collecting Iraqi petrodollars for French-made military armaments, save themselves from economic impasse.

Of course some would say that Francois Mitterrand has taken such a risk in order to preserve interests of the West but under present circumstances when the Socialists are facing increasing problems, it is hard to believe that Mitterrand would put his party at stake, the article argued.

However, neither the French support for the hijackers nor its delivery of Super Etendard planes and complicated weapons would help the French president to weather the storm.

The editorial concluded by saying that the French people should be more vigilant and warn those who were relying on probabilities that the Middle East is like a gun-powder keg and to try the feasibility of weapons beside these kegs would be unwise. Should Mitterrand opt for trying the chances of his party in the Middle East, then his downfall would be a foregone conclusion.

CSO: 4600/787

NATION SET FOR TRANSITION TO ISLAMIC BANKING

Paris AN-NAHAR ARAB REPORT & MEMO in English No 29, 18 Jul 83 p 5

[Text]

Iranian banks are to be given three years to renegotiate existing loans to customers to bring them into line with Islamic law, which forbids the payment of interest (*riba*). Central Bank Governor Mohsen Nurbaksh was quoted as saying that the banks would go on paying interest for a year and a half after the introduction of a proposed Islamic banking system, which received the blessing of the *Majlis* (Parliament) in June. It has not yet been approved by the Council of Guardians, a 12-man constitutional watch-dog body. Mr Nurbaksh said the Council regarded one point in the legislation as contravening the constitution, but did not specify what it was.

When the bill is approved, the Central Bank will have four months to draw up detailed regulations in preparation for full implementation. The new system stipulates that banks must switch from lending money to businesses in return for interest to investing in them and sharing their profits. Two types of bank deposits will be introduced: charity accounts where money is deposited for safekeeping; and long-term accounts where deposits are invested on a profit-sharing basis. The banks will be obliged to repay depositors the full amount of their deposits even if investments make a loss.

CSO: 4600/790

SAUDI REGIME ATTACKED FOR PILGRIMAGE 'IMPEDIMENTS'

Tehran TEHRAN TIMES in English 6 Aug 83 p 2

[Text]

TEHRAN, (IRNA)— Mohammad Reza Mahdavi Kani, the secretary of Tehran's Combatant Ulama Society, and director of Imam Sadeq University, addressing the world Moslems and, particularly, the Ulama throughout the Moslem world, in a message, warned them of the threats posed by the Saudi rulers against one of the most fundamental tenets of Islam, i.e., Hajj pilgrimage.

Stressing the significance of Hajj ceremonies, Mahdavi Kani invoked Qoranic injunctions in support of the particular significance of this holy obligation. Mahdavi Kani then noted that the Saudi objections to fulfillment of these sacred rites by the Iranian pilgrims, arose from their obvious fears from the outspoken and militant stand of the Iranian Moslems against the predatory policies of the U.S. and Zionism. Excerpts follow:

"The enemies of the Qoran and Islam, afraid of the rule of the Qoran and Islam, attacked our arisen nation economically and militarily, and with their slanderous propaganda, attempted to isolate us. In doing so they imagined that our nation would be annihilated, a nation which had passed through the revolutionary period presenting thousands of martyrs and disabled persons, and was embarking upon a period of reconstruction.

"In this situation world oppressors and international Zionism arose and attempted to turn the governments of Islamic countries, which ought to be our supporters, against us. We realized that these reactions were provoked by the U.S., the Soviet Union and Israel, and we challenged these countries, shouting the slogans of, "Death to America", "Death to Soviet Union" and "Death to Israel", and asked our Moslem brothers all-over the world to struggle against these powers. However, due to the propaganda of international imperialism, not only was our struggle not made known to our Moslem brothers but we were even introduced to them as aggressors and insurgents. The imperialists aiming at our collapse, instigated their own elements in our country to create disorder and riots.

"The monarchical regime of Saudi Arabia is attempting to undermine the ceremonies of the pilgrimage with the aim of abolishing them altogether, and in doing so is preventing the Iranian pilgrims from executing the religious duty of Hajj and visiting the two holy sanctuaries.

"O great 'Ulama, you who are the strong pillars of Islam must not keep silent at this time, you must express the truth and witness that a government, aiming at the sep-

aration of religion and politics, is attempting to prevent nearly one hundred thousand Iranian pilgrims from executing their religious duty. We would like to ask which religion is separated from politics? The religion which was founded by the noble Prophet of Islam (S), or the religion which has been formulated by the diseased and corrupt minds of the British and Americans and is now being practiced by a handful of people who are ruling over Moslems under the precious name of Islam?

"The Moslem (Ummah) of Iran, having exalted the world of Islam with its great Islamic Revolution and its unique and uncompromising stand against the enemies of Islam, Especially the U.S., the Soviet Union and Israel, due to its own religious duty and according to the great verses of the Qoran which say, "an announcement from Allah and His apostle the great Prophet Abraham, the destroyer of idols, and the noble Prophet of Islam (S) we call for insurrection against this blatant demonstration of cruelty and oppression, and listen whole heartedly to the Qoran which says," surely (as for) those who disbelieve, and hinder (men) from Allah's way and from the Sacred Mosque which we have made equally for all men (for) the dweller therein and (for) the visitors, and whoever shall incline therein to wrong unjustly, we will make taste of a painful chastisement."

CSO: 4600/824

STRIFE BETWEEN ISLAMIC FACTIONS CONTINUES IN WASHINGTON

Tehran TEHRAN TIMES in English 17 Jul 83 pp 1, 4

[Text] Washington (IRNA)--Friday prayers here were held outside the Washington Mosque led by Mohammad Al-Assi while the reactionary ambassadors' efforts led here to the holding of another Friday prayers in the mosque participated only by the limousine-riding envoys of the reactionary Moslem countries.

Mohammad Al-Assi, the prayers leader of the Moslems and head of the mosque and Islamic Center said in his sermons that he aimed at solving the problem of the mosque through court and legal channels, but he was told that the problem could only be solved through the U.S. Administration's high-level orders, the same was told to the lawyer of a Moslem who was arrested in the Fid Ul-Fitr demonstrations here.

While police stopped Moslems from entering their mosque, it allowed the reactionary ambassadors and envoys of the Islamic countries here to hold another prayers inside the mosque, led by a paid agent, Adel Assir. [as published]

Also, in the prayers, Al-Assi said that Moslems were barred from entering their mosque in a country which claims to support the freedom of speech and religion, adding that he and other Moslems will find ways to solve the problem and no shakiness will appear in their faith.

Meanwhile, Assir said in his prayers that in the Iran-Iraq war some 30 billion dollars had been spent for making the Moslems fight each other, without mentioning who had paid that money to Iraq, while adding that the money should be spent against the enemies of Islam without saying who the enemy was.

After the prayers, the Moslems outside the mosque chanted slogans in condemnation of the reactionary rulers and their representatives.

CSO: 4600/788

NATION LAUNCHES DRIVE AGAINST SMUGGLING, HOARDING

Paris AN-NAHAR ARAB REPORT & MEMO in English No 29, 18 Jul 83 p 6

[Text]

The Iranian government has launched a new drive to eliminate smuggling and hoarding, handing out heavy fines, prison sentences or, in one case, flogging for those found guilty of economic crimes. Prime Minister Mir-Hossein Moussavi recently admitted that the country faced economic problems such as inflation, shortages of raw materials and spare parts needed for factories, and a lack of roads and transport. But he went on to stress the positive achievements of the Islamic revolution in freeing the country from US dominance, expressing the hope that "these black groups in society who try to hoard goods and overcharge and say that the revolution and the government have achieved nothing will be recognised by the people and crushed."

The war with Iraq has prompted the government to enforce rationing of foodstuffs and other goods at fixed prices – ideal conditions for a thriving black market. The illegal practice of hoarding permitted quotas of goods to create shortages and drive up unofficial prices is widespread in Iran.

The official crackdown has apparently provoked some opposition to judge by the Prime Minister's remarks in which he lashed out at voices claiming that the new measures were an attack on the bazaar. Bazaari merchants played an important role in funding opposition groups and mounting strikes during the fight to oust the Shah, but since then they have opposed moves advocated by radicals in the Tehran régime to nationalise foreign trade, impose land reform and reduce the role of the private sector. Mr Moussavi denied that government control of the distribution of certain goods was aimed against private sector traders. He accused the same critics of propagating rumours that government protection of cooperatives would damage private sector interests.

The Prime Minister was reported to have received a message of support from 118 members of the *Majlis* (Parliament) and a similar one from Ayatollah Khomeini's representative in Isfahan, Ayatollah Jalaeddin Taheri.

CSO: 4600/790

IRP ORGAN SAYS WAR OPERATIONS CAUSE 'VERTIGO' TO U.S.

Tehran TEHRAN TIMES in English 2 Aug 83 p 2

[Text]

TEHRAN, (IRNA)— In an editorial entitled 'death of the Great Demon in the Persian Gulf', the morning daily Jomhuri Islami said Sunday that one of the the results of the victorious Val-Fajr operations (to which Val Fajr-3 should also be added), has been a severe vertigo for the Great Demon (the United States).

Excerpts:

The Great Demon's grave concern once again was voiced and it was announced in Washington that if the situation titled further in favour of the Islamic Republic, the United States would be forced to embark on military interference in the Persian Gulf.

For the US to receive such vertiginous blows from the Islamic Republic is something very common but it seems that this time the balance of the White House dwellers has been deeply disturbed. Military interference by the US in the Persian Gulf if and when it becomes a reality would no doubt be a sign of madness of Washington officials.

Prior to discussing reasons for such an insane act on the part of Ronald Reagan (ordering military interference in the Persian Gulf), the causes which create and sustain such insanity should be studied.

It is an undeniable fact that masters of global oppression have so far benefitted immensely from a policy of terror and the main reason why they have been so successful in the Middle East is because of collaboration of lackey regimes there.

The Great Demon (U.S.) in materialising its demands in Lebanon, Egypt, Sudan and elsewhere in the Middle East, has resorted to various kinds of threats whenever faced with bottlenecks, and succeeds in making wicked subservient regimes acquiesce to their malicious schemes.

If the issue of beloved Palestine is being relegated by Zionism, it is due to the gradual acquiescence of the heads of Palestine political organi-

zations vis-a-vis illegitimate demands of enemies of Palestinians.

And, if the regime ruling over Egypt, after the crimes committed by Anwar Sadat against the Palestinian aspiration, can hope to warmly shake the hands of heads of states in the region, it is because it knows well that among the regional lackey rulers there will be no one to stand against the Great Demon.

The main reason for the success of the Great Demon in the materialisation of its policy of terror in the Middle East is because regional lackey rulers are mere puppets, ruling to satisfy their own whims and not to serve their own people. Such governments will always be unstable and tool in the hands of the others.

Heads of such governments, instead of turning to the enemy, should rely on the Almighty God and on the support of the masses, and only then will they be able to frighten and make the enemy kneel down.

A clear example of such a reality is Islamic Iran which brought down the monarchical regime which was totally at the service of the US. The people, relying on Islamic teachings and leadership of a man who speaks only for the sake of God, revolted and overthrew a 2,500-year-old monarchy which was fully supported by the United States.

Even now, despite direct and indirect threats of the Great Demon, and its Rapid Deployment Force's maneuver, the Islamic Republic is still continuing its way, and simultaneously with the maneuvers of the Great Demon and its supporters in the region, launches Val Fajr-2 and Val Fajr-3 operations to strike another blow on international imperialism.

Another reason for such foolish thinking on the part of Reagan is that he is still counting on the governments of the region blindly underestimating the regional peoples power.

The Great Demon should know that it is the nations of the Persian-Gulf region who should decide on the security of the region and no one else. Now that the Great Demon does not want to realise the truth, it is preparing its own death in the Persian Gulf.

ARTICLE EXAMINES COUNTRY'S FIRST 5-YEAR PLAN

Kuala Lumpur BUSINESS TIMES in English 19 Jul 83 p 18

[Article by Paul Eedle]

[Text]

FOR the first time since the Islamic revolution toppled the Shah in 1979, Iranian officials have produced a five-year plan to tackle the country's economic problems.

The draft plan, now being studied by the Cabinet, gives top priority to agriculture and proposes tight control of consumer spending, more vocational training and expansion of exports other than oil.

The aim appears to be partly to correct what revolutionary leaders see as the mistakes of the five-year plans in the Shah's era: excessive dependence on foreign expertise and imports, over-concentration on ambitious industrial projects and neglect of the poor.

The programme is also directed at getting growth in the economy after several years of disruption caused by the revolution.

Iranian officials and foreign diplomats say the economy has recovered somewhat from the worst of its crisis two years ago but is still suffering from inflation, unemployment and disorganisation.

Investment

The draft plan estimates that investment by the government and private business in all sectors of the economy should increase by about 19 per cent a year during

the period of the plan, the Iranian years 1362 to 1366 (March 1983 to March 1988).

Total investment in 1362 should be 1,931.3 billion rials (US\$22.7 billion) rising to 2,952 billion rials (US\$46.5 billion) in 1366.

The Minister of State in charge of the Plan and Budget Organisation, Mr Mohammed Taki Banki, told *Reuters* in a recent interview that the Cabinet had revised some of the figures in the draft plan by "less than 10 per cent."

He declined to say whether the figures had been revised upwards or downwards but said: "They made them more realistic."

The plan says agriculture's share of total investment should rise to 16.7 per cent from 13.8 per cent during the plan period, while that of industry should decline to 50.3 per cent from 54.7 per cent.

Government money should be invested in irrigation, and when developing industry and infrastructure, priority should be given to projects serving the needs of agriculture.

In all sectors, the plan proposes better use of existing productive capacity, new vocational training schemes and strict limits on imports.

The plan predicts the population of Iran will increase by a rapid 3.1 per

cent a year from 40.4 million at present to around 47.1 million in 1366 (1987-88), increasing the potential work force by 4.1 million people.

Optimism

Overall, the plan hopes gross domestic product (GDP), a measure of the wealth generated in the economy, will grow by an average of 8.9 per cent a year from 9,261.3 billion rials (US\$108.9 billion) in 1361, the year before the plan started, to 14,183.8 billion rials (US\$166.9 billion) in 1366.

The plan's figures are calculated on the basis of 1361 (1982-83) fixed prices.

It seems possible these figures, approved last August, may already have been revised downwards.

Asked for statistics on the growth of the economy, the Plan and Budget Organisation said this month the GDP in 1361 had totalled 8,855.9 billion rials (US\$104.2 billion) and was projected to reach 13,079.6 billion rials (US\$153.9 billion) in 1366.

Much of the economic programme is to be financed by government revenues from the export of crude oil and some gas.

The draft plan projects the value of oil and gas exports increasing by 14.4 per cent a year from 1,704.3 billion rials (US\$20 billion) in 1362 to 2,923.2 billion rials (US\$34.4 billion) in 1366.

It estimates oil exports will rise from 1.73 million barrels per day (bpd) in 1362 to 2.97 million bpd in 1366 and says its revenue figures are calculated on the basis of a price of US\$33.25 a barrel.

But Iran's present oil price is only US\$28 a barrel and some foreign economic experts consider the oil revenue predictions to be optimistic.

It is only four months since Opec (the Organisation of Petroleum Exporting Countries), of which Iran is a member, had to cut prices by US\$5 a barrel and limit output to 17.5 million bpd because of a glut on the world market.

Missiles

International oil experts predict only a modest increase in world demand and prices over the next few years, unless a political crisis intervenes.

The Minister of State in charge of the plan said he was confident Iran would earn all it needed from oil exports during the five-year plan period.

The Deputy Oil Minister for International Affairs, Mr Abbas Honardoust, said recently he thought demand for Opec oil would rise above 17.5 million bpd by the end of this year, with some forecasts saying it could reach 21 million, and he estimated Opec might be able to raise its prices by 50 cents a barrel.

The five-year plan itself refers to a number of other problems facing the Iranian economy, some of them rooted deep in the past: lack of skilled manpower, inefficient bureaucracy, and post-revolutionary uncertainty over ownership of agricultural land.

Foreign economists add to the list the lack of adequate port and transport facilities.

EFFECTS OF SIX YEARS OF MARTIAL LAW ANALYZED

Lahore VIEWPOINT in English 7 Jul 83 pp 27-28

[Article by M. B. Naqvi]

[Text]

THE Military government has completed six long years in power and looks set to go on almost indefinitely. No end is in sight, for the challenges to it, so far, seem inchoate and weak.

In view of the continuing talk of a popular movement for restoring a civilian and democratic government this statement would seem either defeatist or dishonest. The rulers themselves do not share this assessment of their staying power. Moreover it runs against the noble mythology of Pakistan having been won through political processes and the magic wrought by the ballot paper. I share that belief, insofar as it goes. But conditions and context have changed. The Pakistani social structure and its ethos, especially its political culture, is altogether different today.

Dictatorship-prone

An overview of our history will show how dictatorship-prone this country is. We began in 1947 with a democratic government run by the Muslim League that had led the Pakistan Movement. Its relations with the provinces were scarcely democratic. It could dismiss provincial ministries without any respect for the wishes of the people of the Province concerned. Its overall responsibility for rigged elections in every province in the early 1950s, except East Bengal, cannot be minimised. These 'jhurloo' elections made a mockery of democracy.

In the initial eleven years of civilian and supposedly democratic rule, the political rhetoric was high falutin: the tone was set by demands for an Islamic State and Islamic social justice. Even pan-Islamism was more in vogue than it is now. And yet the reality behind national politics was petty provincial jealousies and a refusal to let the sovereign National Assembly have any meaningful role. Sordid provincial alignments prevented the common acceptance of the three constitutional formulas — the Khwaja Nazimuddin formulas of 1950 and 1952 and the Mohammad Ali formula of 1953 — and thus a unanimous constitution.

The first major coup took place on April 17, 1953 when Governor-General Ghulam Mohammad, himself a nominee of the Cabinet, dismissed the Khwaja Nazimuddin Government despite the fact that it enjoyed the confidence of the Constituent Assembly which had passed the national budget only a few weeks before. The Governor-General imposed his own nominee, Mohammad Ali (of Bogra) as Premier. The sovereign Constituent Assembly swallowed this coup d'etat which decisively shifted the locus of power from the Assembly to the Governor-General's palace. A period of uneasy tussle followed during which the Assembly unsuccessfully tried to assert itself. Within a matter of 17 months, the Assembly was smashed, only days before it was to have finished its constitution-making task.

What followed was undiluted dictatorship of a bureaucrat-turned-political that lasted almost a year. Under the patronage of a friendly judiciary, he proceeded to clothe himself with political raiment in the shape of an assembly. The new Assembly, chastened by the experiences of its predecessor — and also by virtue of the circumstances of its birth, what with having accepted parity and other wishes of the already settled centre of power, the Governor-General — was able quickly to make a constitution, using prefabricated parts dictated from the palace. But by this time another Governor-General had taken over in suspect circumstances. He bargained his signatures over the constitutional Bill for his own election as the first President of the Islamic Republic, the First Republic.

Coup after coup

But he was an ambitious man. He tore up the constitution he was sworn to defend with the help of his Army Commander-in-Chief. As soon as the job was done, and people told to forget about their rights and sovereignty and start obeying Martial Law orders and regulations, the C-in-C in question pushed the civilian President turned dictator aside with yet another coup. This pure army rule, a Martial Law, lasted 44 months. At the end of this period, the CMLA-President had a constitution tailored round himself. He suddenly announced he was a democratically-elected President and inaugurated the Second Republic in Pakistan in June 1962.

The Second Republic came to an end rather ingloriously in less than seven years (1969). However, another Army C-in-C imposed the second open Martial Law and became the second CMLA-President, lasting 33 months. During these short but stormy months, the desire to Islamise everything was rather overpowering. He refused to accept the results of a free and fair elections he himself had held. He also tried to give a one-man constitution, pronounced by the Jamaat-i-Islami as being adequately Islamic. In order to promote Islamic values and unity and integrity of the nation, the military ruler did not flinch from fighting a civil war with the majority zone of

the country. In the process, he lost half the country and surrendered the entire Eastern Command of his Army, having lost both the civil war and the war with India.

Third Republic

The second Martial Law was followed by a third, headed this time by a civilian CMLA-President — a truly curious phenomenon that reflected the behind-the-scenes realities of inner factionalism in the ruling Junta. Anyhow, this civilian happened to be an elected-representative of the people who, before very long, was able to give perhaps the country its first unanimous constitution. Thus, started the Third (Islamic) Republic of Pakistan. It came to an end on July 5, 1977, when the fourth and longest-lasting Martial Law was proclaimed by a fourth CMLA who took time becoming President.

Whether or not the genius of our people is Islamic, as is commonly claimed, though not by the writer, it is certainly authoritarian in outlook and martial withal. No matter who tries out a democratic experiment, it soon ends in a military regime. The frequency of the Army's intervention in politics (it is not easy to count them all for reasons of difficulty, in defining them as such for in some of them the Army remained behind the scenes) certainly shows a mind that clearly loves the military and does not mind losing its freedom and rights.

It may be useful to recall the main interventions by the Army to make the point that this nation has never shown much mental discomfort whenever the Army's use for political purposes was obliquely threatened or openly made. The test is that an action which in the normal course would not be possible does in fact take place with the help of extra-legal force. With this definition in mind, we can recall at least 14 instances in which or because of which constitutional propriety was thrown overboard:

14 instances

- 1 Liaquat Ali Khan's murder that marked a spectacular rise in the prestige and power of the bureaucracy in this country.

2 The Governor-General's sacking of a Prime Minister enjoying the support of the National Assembly after which the locus of power decisively shifted to the Governor-General's House.

3 The Governor-General's dismissal of the Government and Constituent Assembly and assumption of autocratic powers.

4 The sacking of the Fazlul Haq Ministry in East Bengal not long after its crushing victory was a decisive move which virtually subordinated popular representatives to a bureaucratic coterie.

5 The circumstances in which Mr. Ghulam Mohammad was replaced by Gen. Iskandar Mirza.

6 The way the second Constituent Assembly elected Governor-General Iskandar Mirza and obtained his signatures on the Constitution Bill snatched a deal that was more commercial than political.

7. The brazen coup d'etat by President Iskandar Mirza with the help of the Army C-in-C on October 7, 1958, with much rejoicings in the media.

8 The coup d'etat on October 27, 1958 which sent the President packing.

9 The overthrow of Ayub Khan on March 25, 1969 by his C-in-C.

10 The way CMLA-President Yahya Khan, on March 1, 1971, postponed sine die the inaugural session of the

new National Assembly convinced the people he had no intention to respect their verdict.

The way Yahya Khan went out of power was both para-legal and para-military, for no Army Commander is sacked by his junior colleagues.

12 The assumption of power by a Civilian CMLA-President on December 25, 1971 was not because of any law but through the smart action of an Army faction.

13 Mr. Bhutto's dismissal of his first Army C-in-C was also something of a coup, complete with a coup-like troop deployment in the capital on that day.

14 Finally, what happened on July 5, 1977 was open political use of the armed forces.

(One has limited the list to 14 rather arbitrarily; it is after all a matter of definition).

The armed forces could not have been so used by their chiefs or the effort could not have been accepted so readily by the people, if the people were not already predisposed to accepting everything that came from on high. One knows it is not easy for an unarmed people to disobey the commands of an Army. But it is easy enough to find how a people receive such initiatives of an army: either sullenly or readily, if not happily. In our case, acceptance was quick enough and willing enough.

KEEPING HAMOODUR RAHMAN REPORT SECRET CRITICIZED

Lahore VIEWPOINT in English 7 Jul 83 p 7

[Article by Groundsman]

[Text] The case of the Hamoodur Rahman Commission Report is becoming curiouser and curiouser. A Lahore daily is alleged to have violated some law by publishing one of the stories contained in the Report and action is reportedly contemplated against it. That reference to the report of a commission explicitly set up with the object of informing the people of the causes of a great national disaster should be held illegal is, perhaps, the strangest denouement in the history of inquiry commissions.

Meanwhile, the thread of the controversy around the Report has been picked up by Rao Farman Ali. His assertion that the guilty ones have already been punished by God cannot be taken seriously because it only reveals his incapacity to view grave political issues in a correct perspective and a shocking unconcern for people's agony caused by a few of them. But some other parts of his explanation to explanation are interesting. Exonerating, besides himself, the Muslim League, the Jamaat-i-Islami and its para-military wings of any blame for the East Pakistan debacle, he has held the rest of the nation responsible. Ignoring the exemptions, the merit of his contention is obvious. In the final analysis, the people of Pakistan must bear the responsibility for letting Yahya Khan and his associates act as unchallenged arbiters of their fate.

Mere Witnesses

However, the verdict on the 1971 tragedy, and the sequence of events over nearly two decades that led to it, cannot be given by the characters who took the stage in the final act. They are at best witnesses if not defendants. The question is not likely to be decided by the Hamoodur Rahman Commission Report either, in view of the political circumstances and the climate of uncritical opinion under which the Commission functioned. The last word will belong to historians who will be sufficiently removed from the event and will be free from the prejudices that prevented many people from seeing the truth both before and after the catastrophe. The only thing that matters at present is the need to make all relevant papers available to these historians.

For this reason, independent observers have always supported the demand for the release of the Hamoodur Rahman Commission Report; they did so when the PNA made it a matter of foremost national importance and also when its stalwarts were persuaded to forget the subject. Whatever the nature of the findings, the principle that reports of all national commissions should be published is inviolable. The Hamoodur Rahman Commission Report cannot be treated as an exception.

Further, it seems necessary that not only the Report but also all the papers collected by the Commission be placed in the National Archives so that the seekers of truth have access to original source material and are not dependent on hearsay. Indeed, there is need to evolve a policy whereby all Government documents, especially the full reports of various Commissions, should be deposited in the Archives and made available to all those who wish to learn from history.

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PAKISTAN'S SECURITY PROBLEMS ANALYZED; ARMS BUILDUP SUPPORTED

Kuala Lumpur ASIAN DEFENCE JOURNAL in English Jul 83 pp 65-69

[Article by Zulfikar A. Khalid]

[Text]

Several times bigger in size, population and natural resources, India has projected Pakistan to the outside world as a permanent source of trouble and menacing to its security. The opposition to Islamabad's defence requirement from India, which is physically and militarily several times bigger than Pakistan, looks to many as ridiculous. The Indians themselves have been known to boast of possessing the fourth largest defence establishment in the world.⁽¹⁾ Despite such a strong military establishment, Indians still have fears about a Pakistan strong enough to shake the basis of their country's security.⁽²⁾

India's current strategic posture and defence policy is to anticipate and counter all threats likely to be mounted against her by Pakistan and China and also to struggle for primacy in South Asia forever. In its region,

"what India would secretly desire without openly admitting, is not the American brand of leadership of the NATO states or of the Organisation of American States, but a faithful replica of the Warsaw Pact states under Soviet suzerainty"⁽³⁾

The Indian policy may consider any obstacle to such a dream as an eye sore which may be removed by using every trick in its bag. India always criticises and employs pressure on the foreign military assistance to states on its periphery but when it comes to its own huge military contracts both with the capitalist and communist bloc countries, it euphemistically calls it a need for the country's defence. Besides huge purchases of arms from outside, India is producing all kinds of weapons: aircraft, missiles, armoured vehicles and ships. And the quantum of production has come to such a level that she has started exporting her military equipment to some African and the Middle Eastern countries.

Ignoring the mounting conventional arms bill, the 'bomb lobby' in India is advocating the immediate production of nuclear weapons. Mr. K Subramanyam, Director of the Indian Institute for Defence Studies and Analysis, for instance, has suggested,

India has to keep a few steps ahead of Pakistan in nuclear weapon technology and develop the infrastructure to be in a position to deter Pakistan when it reaches nuclear capability.⁽⁴⁾

The former Chief of the Indian Air Force, Air Chief Marshal P.C. Lal, whose opinions carry considerable weight in the top Indian Defence quarters, is more categorical. To him,

India in effect has the atomic weapons already and should integrate into her military arsenal and build up her defence strategy and tactics around it. ⁽⁵⁾

In the field of nuclear technology India has made considerable progress since it first detonated a nuclear device on May 18, 1974 in Rajasthan. With sustained supplies of enriched uranium from the US and heavy water from the USSR to run its reprocessing plants, India now has a network of reactors and power plants all over the country.

When India put a sinister smile on Buddha's face on May 18, 1974, its impact on the neighbouring Pakistan was obvious. "Proliferation," says Dr. A.V. Fischer, a top official of IAEA, "feeds upon itself". This proposition had been true in the past, and its truth would be demonstrated very clearly, if, for instance,

Pakistan like India tests a 'peaceful nuclear explosion'. Nuclear programmes now exist in Africa, the Middle East, Latin America, the Far East and the Sub-Continent; and these programmes differ in stage and type of progress. The wide existence of nuclear capabilities in the non-nuclear states, no doubt, ridicules the originators of the NPT. The super power sanctions against nuclear proliferation could be considerably effective, if they were undertaken without discrimination. Therefore, the selective and discriminatory pressure, especially by the West, over nuclear proliferation in the developing countries have made the whole idea of NPT farcical.

Pakistan's quest for acquiring nuclear technology does not stem from (as it is propagated by the Hindu/Jewish lobby) an impulsive militancy within the context of an Islamic religious revival but rather because its acute security dilemma demands so. Besides a security dilemma, the shortages of natural energy, natural resources and rising oil prices also force a developing country like Pakistan to accord high priority to the development of nuclear power plants capable of generating electricity. Affording maximum national security and forging economic development are the two supreme goals of national interest for any country. For a developing country like Pakistan, constantly living under the shadow of powerful hostile neighbours, foreclosing its nuclear option would not serve its national interest. It would mean inviting ever-increasing intimidation and bullying by adverse forces in South-West Asia and blocking future economic development. Yet the psychological consequences for the Pakistani people would be enormous.

After all, why should Pakistan foreclose its nuclear option? It is the same argument which J. Nehru used to give: That India in his lifetime would not acquire nuclear weapons but at the same time he (Nehru) did not want to foreclose the nuclear option for the future generation. Why should Pakistan foreclose its nuclear option for future generations merely to observe diplomatic niceties. The Pakistan nuclear issue has gone too far and no government could afford to put it aside because it has become a matter of national interest, prestige and commitment.

It was a widespread speculation at the end of last year that Israel in collaboration with India might sabotage the Pakistani nuclear research installations by their aerial bombardment. Such a possibility can be ruled out on several grounds. First, ever since the West started applying diplomatic and economic pressures to dissuade Pakistan from allegedly going nuclear in the late 1970's, Islamabad placed all its nuclear research installations under extra-ordinary heavy military protection including anti-aircraft missiles and patrol by airforce fighters. Therefore, around the clock alert could protect these installations from any air assault very well. The Israeli's were able to destroy Iraqi Osirik nuclear installations because of the Iran-Iraq war and the plant was virtually unprotected. Secondly, the Indians realise the consequence of such an act; they too occupy a nuclear glass house by analogy. Thirdly, while such an heinous act would bring irreparable damage to India's interest, it would also invite more open, vigorous and direct opposition to Israel in any future encounter with the Arab world. It may even trigger Pakistan's direct military participation in the Arab-Israeli conflict.

One could say that the Israelis would not feel comfortable while acting against Pakistan. Pakistan is not within their province.

There have been frequent and frustrating ups and downs in the Indo-Pakistan relations. The continuities of animosities and mistrust, opposing habits of thought and action by the Congress and the Muslim League, built up during the struggle for independence, were translated into the foreign policies of India and Pakistan.⁽⁶⁾ The ongoing mutual conflict since 1947, between India and Pakistan, reached its climax in the 1971 Indo-Pakistan War. The 1971 conflict resulted in the emergence of Bangladesh and dismemberment of Pakistan. In the past the Kashmir issue has been almost a stumbling block in the way of normalization of relations between the two neighbouring countries. In the 1972 Simla Agreement, both countries pledged to solve their differences including the Kashmir dispute through bilateral dialogue and since then the relations between Pakistan and India have registered a marked improvement.⁽⁷⁾

But despite the 1972 Simla Agreement - a bilateral framework for the solution of their mutual problems, the distrust and suspicion between India and Pakistan still persist. Whereas Pakistan is making efforts for a suitable political and military support in upgrading its defence requirements, she has also decided to be rather conciliatory towards her enemies - India in the east and the Soviet Union knocking at the Khyber Pass. Having long common borders with India and the Soviet Union in Afghanistan, Islamabad could easily be caught up in a pincer movement.

On 15 September 1981, Pakistan issued a statement suggesting:

... immediate consultations with India for the purpose of exchanging mutual guarantees of non-aggression and non-use of force in the spirit of the Simla Agreement.⁽⁸⁾

To India, the Pakistani offer of a 'no-war' pact was 'actually intended to neutralise critics of Pakistan in the US Congress and those who were averse to the US Administration getting embroiled in Indo-Pakistan policies'.⁽⁹⁾ Many suspected the offer

as India and Pakistan engaging 'in a dangerous game of hide and seek over a no-war pact'.⁽¹⁰⁾ While apparently not rejecting the Pakistani offer, the Indian Foreign Minister, Mr. Rao, told the Parliament that India stood by its original offer to Pakistan, 'with no exceptions, no conditions and no variations' for a no-war pact first made in 1949 and repeated several times later.⁽¹¹⁾ But to Mr. Rao, Pakistan had always rejected such an offer and he suggested that Islamabad's recent move was merely designed to win congressional approval of the US arms.⁽¹²⁾

It is not the first time that Indian spokesmen have mentioned the recurrent Indian 'no-war pact' offer, without saying anything about Pakistan's stand on this matter. Neither Liaqat Ali Khan in 1949 nor his successors have rejected such an offer of 'no-war pact' as the Indian spokesmen imply. Pakistan, indeed, welcomed such an offer in the past,

... provided the slogan of 'no-war' was given real meaning by adding to an agreed formula ensuring the fair settlement of the disputes (mainly Kashmir) between the two countries which could erupt into war if allowed to fester too long.⁽¹³⁾

At present Pakistan is passing through a very critical phase in the history of its foreign policy. Obviously, with the Soviets knocking at the Khyber Pass, serious political turmoil in Iran and the impressive military build-up by India, Islamabad is left physically vulnerable. In the last few years Islamabad has adopted rather a conciliatory posture towards India and the Soviet Union in Afghanistan. Whereas Pakistan has continued the process of bilateral negotiations with the Soviet Union over the Afghanistan issue she also exchanged several delegates with India at the level of foreign secretaries to further normalise their relations. Both countries have mainly exhausted their efforts in negotiations over concluding a no-war pact. The drafts presented by both countries on the idea of non-aggression are almost diametrically opposed to each other. While progress could not be achieved on the no-war pact negotiations, the signing of an agreement by the foreign ministers of Pakistan and India to set up a Joint Commission on the occasion of the MAM Summit at New Delhi is a welcome step. A joint commission will, no doubt clean the deck for multi-faceted cooperation between the two countries. However, any expectation of immediate results would be both unrealistic and an invitation to disappointment.

In the past, India consistently engaged in taking steps to introduce new weapon systems in South Asia. The acquisition by Pakistan of US weapons to be supplied over the period of the next five years cannot in any way stand up to the Indian defensive/offensive capabilities. Geostrategically, India as an ally of the Soviet Union has another advantage of some negative and punitive actions by Moscow against Pakistan across the Durand Line from Afghanistan. The USSR by deploying her armed forces along the Sino-Soviet border could also dislodge Beijing's military pressures in favour of Pakistan along the Sino-Indian border.

At present few military strategists would question Pakistan's defence needs. Pakistan's defence forces facing the Soviet-Afghan troops along the Durand Line and Indian Army on her eastern border, are plagued by the critical shortage of tanks, aircraft transportation and communication facilities. Haunted by

the contingency of a two-pronged war, Pakistan has no option except to acquire a modern defence system. The defence equipment already in the hands of Pakistan's forces is woefully obsolescent. The domestic economy does not allow Islamabad to go for a highly up-to-date defence system. Furthermore its growing foreign debt and chronic deficit in balance-of-payments pose additional constraints.

Pakistan's most pressing socio-economic and political problem is the influx of over two million Afghan refugees. The Pakistan Government and the public's sympathy were and are with the refugees, but Islamabad is finding the whole refugee problem embarrassing. First, the militant Afghan refugees may carry anti-Pakistan propaganda for an independent 'Pakhtunistan'. Second, despite foreign aid, Pakistan is also spending huge sums of money on the refugees. Third, "Afghan Mujahideen" activities from Pakistan soil and their harassment of the Karmal regime and Soviet troops often invite retaliation by Soviet planes and helicopters which violate Pakistan's airspace. If Afghan resistance forces escalate their activities against the Soviet Union in Afghanistan, the Soviets may resort to 'hot pursuit' entering Pakistani territory. Fourth, the Soviets may send their agents in the guise of Afghan refugees to carry out sabotage and anti-Pakistan propaganda. The more active the Afghan guerrillas become, the greater are the perils of retaliation by the Soviet Union against Pakistan. And in that case Soviet agents may create havoc for Pakistan's defence along the Durand Line.

Despite having hostile relations with both India and Afghanistan, Pakistan's reliable friendship with Iran was one of the most important factors in consolidating her national integrity and security. The serious political turmoil in Iran has made some dents in the traditional friendship between Pakistan and Iran. But by applying careful diplomatic and political tactics, the fences could be mended, as the already existing bonds of culture, religion and geographic contiguity would be helpful. The rather inactive RCD (Regional Cooperation for Development) could be reactivated to monitor the common Soviet threat to their territorial integrity. This would help Pakistan in warding off any Soviet encroachment in her province of Baluchistan.

In the past, Pakistan's alignment with the US suffered severely at the hands of Washington. The Pakistani-American military alliances gave an excuse to India to wriggle out of its commitment on Kashmir. Pakistan earned the active hostility of Moscow and was looked upon as an imperialist stooge in the comity of Afro-Asian nations and particularly among the Muslim bloc. When Pakistan sought to develop good neighbourly relations with China, she was subjected to various pressures, e.g. economic aid cuts and delays and the asking of Islamabad to abandon its friendship of China, by the US Johnson Administration.⁽¹³⁾ But in the early 1970s, Pakistan-China relations helped to forge normal relations between Beijing and Washington. Islamabad as an ally of Washington was in shock over the US decision to impose an arms embargo after the 1965 war be-

tween Pakistan and India. The 1965 conflict and Soviet neutrality in it had provided an opportunity to Moscow to persuade Pakistan to leave the Western military alliances and decrease her relations with China. The Bangladesh war between Pakistan and India, after New Delhi had signed a Friendship Treaty with Moscow in August 1971, brought another disappointment when Islamabad's allies watched it disintegrate from a distance.

In the early 1970s, the US championed the 'twin-pillar' policy - an offshoot of the Nixon Doctrine, relying on and supporting essentially Iran and Saudi Arabia to protect Western interests in the Gulf region. Operative since 1972, the 'twin-pillar' policy was on its last legs in 1978. The revolution in Iran collapsed one of the two pillars in 1979 and generated political turmoils and created new strategic equations unknown in the past.

Until the Soviet military invasion of Afghanistan, the US had written off Pakistan as a factor of any importance in South and South-West Asia. But the kaleidoscopic events of 1979-80, i.e. the revolution in Iran, the American hostage crisis, the seizure of the Holy Mosque at Mecca, the successive coups and Soviet invasion of Afghanistan, and finally, the on-going Iran-Iraq war, added tremendous importance to Pakistan's strategic and political value.

The fall of the Shah of Iran and the Soviet military invasion of Afghanistan urged the US planners to seek ways and devise means to contain further Soviet encroachment in South-West Asia. Pakistan, a country almost un-ceremoniously abandoned by Washington in the past decade, was suddenly rediscovered to contain Soviet expansion and encroachment in the Gulf region. Before the fall of the Shah, *"it was then supposed that the Shah's Iran would provide a permanent citadel of Western interest. This conviction was so strong that Pakistan was scored off the map of American strategy, an iron curtain was claimed to have been drawn across the neighbourhood which could not be pierced."*⁽¹⁴⁾

In April 1979, the US informed Pakistan about its decision to cut off economic aid by invoking the Symington Amendment of the Foreign Assistance Act, which required the ending of aid under certain conditions. The issue was the alleged nuclear weapon programme of Pakistan and her failure to put under international safeguards the uranium enrichment plant it was supposedly building. Pakistan felt annoyed over Washington's direct and indirect pressures to dissuade her from the path of acquiring nuclear technology. There is no doubt in it that the Carter Administration

... first drove Pakistan into the arms of the pro-Soviet members of the non-aligned movement and then, when awakened to geo-political realities by the Soviet invasion of Afghanistan, tried to lure Islamabad back with a half-hearted offer of defensive equipment designed more to appease India than to meet the new threat on Pakistan's northern borders.⁽¹⁵⁾

After some hard negotiations, in the first week of June 1981 Pakistan and the US concluded a US\$3.2 billion military and economic aid package, spreading over six years, to Pakistan both

as a reward for her refusal to accept the Soviet presence in Afghanistan, and to restore the US credibility to protect her allies in the Gulf region. The decision to arm Pakistan is

... rooted in a strategic dilemma which has confronted the US in the Gulf since the toppling of the late Shah of Iran in 1978 and the Soviet invasion of Afghanistan in December 1979.⁽¹⁶⁾

The Reagan Administration placed much emphasis on removing 'a legend of American betrayal' which grew in Pakistan's 'political folklore' and 'became a quasi-official doctrine in Islamabad'.⁽¹⁷⁾ Pakistan as a 'corner stone' of American foreign policy in the 1950s and the 1960s, under the defunct SEATO and CENTO military alliances was completely disappointed with the US role in the Indo-Pakistan 1965 and 1971 conflicts. Now after having reoriented its foreign policy in the 1970s towards the Islamic bloc and non-aligned movement, Washington feared if Islamabad's defence needs were not fulfilled, it might be tempted by the USSR - a severe blow to the American interests in the Gulf region.

After the collapse of the American-backed CENTO, Pakistan seems determined to maintain its place in the non-aligned movement. But such a status does not bar Islamabad either to have bilateral agreements or purchase weapons with its own money. Many countries in the non-aligned movement, i.e. India and Cuba etc., have substantial dependence on Soviet arms and military assistance, but are still considered non-aligned.

The super powers have their global interests -- always hegemonical in nature. In their quest for world-wide influence, the super powers may either cooperate or confront each other. Cooperation is a direct and very quick method of achieving dividends but confrontation is always indirect which involves the local/regional states and other agents/actors. When confronting, care is always taken to avoid physical harm to each other but it is always injurious and sometimes fatal to the existence of small states falling within the conflict area. The regional or local states are coerced, punished or rewarded depending upon the level and nature of participation in the showdown directed by the super powers. Today a great game is being played by the two super powers in South and South-West Asia. This dangerous game has multi-dimensional consequences for Pakistan's national security. Pakistan would certainly need to tread carefully and not step in the wrong direction from where there could be no returning.

External influence and pressures could affect any country's national security. In the northern rimland of the Arabian Sea, the fast geo-strategic changes of the last few years, i.e. the fundamental political alterations in Iran, the demise of the strategic northern tier and the Soviet Union in Afghanistan coupled with Moscow and Washington's acquisition of military facilities in and around the Gulf, have affected Pakistan more seriously than ever before. After the military occupation of Afghanistan, it would not be unrealistic to assume that the Soviets may probe the chronically unstable political situation both in Iran and Pakistan for their politico-strategic aggrandizement. Historically, the Russian quest for 'warm water ports' may be an absurd scenario, but after having occupied Afghanistan and by her ever increasing strategic thrust on the Arabian Sea littoral, Moscow possibly may apply military, naval and political pressures for a corridor through Baluchistan to the Arabian Sea.

The present political quagmire on the Arabian Sea littoral, the fall of Shah in Iran and the Soviet invasion of Afghanistan compel the West in general, and the United States in particular, to place much emphasis on Pakistan due to Islamabad's geographical relevance, close religious ties, economic dependence and politico-cultural relations with the Gulf region. While the threat of Moscow's southward expansion compels Washington to put

high premium on Islamabad, Pakistan's current geo-strategic setting equally puts a damper on its policy-makers looking towards the USA. Few military strategists would question the actual threat to Pakistan's national security. In view of the contemporary dynamic Soviet '*strategy of acquisition*' in the region to allow Pakistan to be the victim of Moscow's 'Finlandization' is to strengthen the belief of its leaders that the use of force is the only available option in their foreign policy.

Whereas the on-going rapid changes in the security environments of the Gulf and Arabian Sea littoral have opened up new vistas of close Pakistan-US relations, the buffet of looming crises on almost all of Pakistan's national frontiers i.e. the Soviet Union in Afghanistan, the serious political turmoil in Iran, the instability in the Gulf and the impressive Indian military build-up etc., places constraints on the policy-makers in Islamabad to stay away from the global powers' quest for supremacy in the region. The possible letting of Pakistan's territory to the Soviet Union's adversary, the USA or any future cooperation with the American Rapid Deployment Force (R.D.F.) in the Arabian Sea would invite harsh Soviet retaliations against Pakistan's territorial integrity. Moscow now influences policies in New Delhi and Kabul and has also impressive influence on the Arabian Sea littoral. And the logic that the US presence in Pakistan would circumspect the Soviet Union in Afghanistan and on the other side of the Arabian Sea does not stand the test of past Pak-US alliances.

In the present politico-strategic situation of South-west Asia, a policy of equidistance - a balancing policy with Moscow, Beijing and Washington and keeping its newly acquired status of non-alignment - could ensure Pakistan's national security very well. A policy of equidistance would allow Pakistan to avoid a one-sided approach in its dealings with the superpowers. This would be a policy of walking a tightrope. Its success would depend on establishing a bilateral equation with the great powers of China, the USSR and the USA, without antagonising any of them. Ever since the quit CENTO, Pakistan's military leadership has denied categorically that any military alliances were being formed with Washington and has emphasised that any connection with the US would not be contradictory to its status as a member of the Islamic bloc and non-aligned movement. □

FOOTNOTES

- (1) Shah Khan, 'Indian Double Talk on Arms' *The Pakistan Times*, April 23, 1981, p. 7
- (2) Ibid; p. 7
- (3) Mushtaq Ahmad, 'Pakistan-strategic outpost on Road to Washington' *The Pakistan Times*, April 12, 1981, p. 4
- (4) Ajoy Bose, 'Spur to go Nuclear' *The Guardian*, September 27, 1981, p. 9
- (5) Ibid; p. 9
- (6) Professor Hameed A. K. Rai, 'Indian Attitude: An Assessment' *The Pakistan Times*, September 26, 1980, p. 2
- (7) Pervaiz Iqbal Cheema, '*Conflict and Cooperation in the Indian Ocean: Pakistan's Interests and Choices*', ANU, 1980, p. 19
- (8) *The Muslim*, (Islamabad), September 16, 1981
- (9) *The Overseer's Hindustan Times*, October 1, 1981
- (10) *The Age* (Sydney), November 11, 1981, p. 6
- (11) *The Age* (Sydney), November 27, 1981, p. 8
- (12) Ibid;
- (13) See Ibid;
- (14) *Pakistan Times*, January 13, 1981, p. 4
- (15) Richard Nations, 'Remoulding a Doctrine' *Far Eastern Economic Review*, January 8, 1982, p. 26
- (16) Ibid; p. 26
- (17) Ibid; p. 27

CSO: 4600/855

SECTARIAN VIEWS OVER RADIO, TV PROTESTED

Lahore VIEWPOINT in English 4 Aug 83 p 8

[Text]

THE leader of a religious sect, Allama Ehsan Elahi Zaheer, has protested against what he has described as projection of controversial views on religion through the media, especially radio and television. One is not in a position to vouch for or against the specific charges made by Allama Zaheer but every sensible Pakistani will endorse the principle underlying his plea, namely, the need for eschewing sectarian pronouncements from public sermons.

Unfortunately, the enormous increase in religious pontification over the last few years has resulted in, among other things, a sharp upsurge in sectarian squabbles. Leaders of different sects do not seem to be content with guiding their respective flocks but often resort to unwarranted attacks on those who disagree with them over some details of the common faith. There have even been instances of quarrels, including violent clashes, over possession of mosques. One hears of recovery of a mosque by one sect from the custodianship of another sect proclaimed as a great victory for the righteous. Recently there have been reports of clashes at a mosque in Lahore and elsewhere. It seems the epidemic has also been exported beyond the national frontiers. Latest reports of clashes over the right to pray in mosques in England indicate that some of the expatriate Pakistanis have no qualms about pursuing their sectarian feuds even in foreign lands.

Mental disorder

The attitude reflected in these incidents cannot be too strongly deplored. Those who quarrel over rights to enter and pray in mosques suffer from a dangerous mental disorder. Obviously, they do not believe that mosques are open houses of God and no man has been authorised to decide who should pray there and who should not. That such acts of unmitigated bigotry and intolerance are committed in the name of a religion of peace is the saddest part of the sordid story. It is bad enough that the followers of Islam are divided into so many sects but that they should be free to indulge in mutual acrimony and exchange of calumny is simply insufferable.

While appeals to the various sects to refrain from hurting each other's feelings are good as far as they go, the situation demands a deeper analysis by the leaders of the religious lobbies. The essential question they must consider is whether sectarian bickerings are the unavoidable result of forcing a marriage between religion on the one side and power and social privilege on the other. After all there must be limits to things that can be done and said in the name of religion.

KARACHI CORPORATION RUCKUS CRITICIZED

Lahore VIEWPOINT in English 7 Jul 83 p 34

[Text]

ON THURSDAY, there was an uproar in the hosue during the Karachi Corporation's budget session. Apart from arguing, honourable members came to blows with each other. They called opponents dishonest, characterless, pimps and thekedars and then went for fisticuffs, so much so that a member threw a microphone at the other. The trouble started when a member said that Rs. 500 million had been spent on Lyari in the last 15 years but no worthwhile development work had taken place there. Councillors belonging to that area took this to mean that they had been called corrupt. Another Councillor took strong exception to the allegation that there were encroachments galore in his market. This incident proves that as a people we have lost the ability to stand criticism. It has been 25 years since democratic institutions died in this country. In the absence of such institutions, people have become used to doing

what they please and regarding themselves not accountable at the bar of public opinion. Even those who very soon will have to seek a fresh mandate from the people are unwilling to stand to any criticism. . . In the past such incidents have always been held as an excuse to throttle democracy. The accidental death of a deputy speaker of the National Assembly (It was in fact the East Pakistan Assembly - Ed.) was illogically used to justify the first Martial Law. Had Martial Law not been imposed in 1958 and democratic institutions allowed to pass through their teething troubles, democracy would have taken firm roots in the country and the people, their elected representatives and institutions would not have become so intolerant. Nor would it have been possible for anyone to destroy or suspend for years representative institutions under untenable excuses.—JASARAT, July 2.

CSO: 4600/792

BRIEFS

IJT STUDENTS ARRESTED--Peshawar, 13 Aug: The police, on Friday arrested six students of Islami Jamiat-i-Tulaba (IJT) from Chowk Yadgar, the central shopping centre of Peshawar. The IJT held a meeting and took out procession after Juma prayers raising slogans for withdrawal of the orders of restitution of 36 students of Peshawar University, Khyber Medical College and Islamia College, release of arrested students of Malakand Agency and removal of restrictions on the students unions in NWFP. [Karachi DAWN in English 14 Aug 83 p 8]

PAKISTANI AWARD FOR McNAMARA--Rawalpindi, 13 Aug: Mr Robert S. McNamara, former President of the World Bank, is among the foreign recipients of Pakistan civil awards, this year. Mr McNamara has been awarded "Nishan-i-Quaid-i-Azam" for his outstanding services to the economic development of Pakistan. Mr McNamara is regarded today as the most eloquent evangelist for the cause of the less developed countries. He always took a keen interest in the development of Pakistan and visited the country several times during his tenure. Pakistan received over 1.5 billion dollars in assistance from the World Bank during the McNamara era. More than that, Pakistan was benefited from his advice, experience and deep interest in our problems. For instance, his efficient and timely handling of Tarbela Dam repairs saved the country from considerable potential damage. [Karachi DAWN in English 14 Aug 83 p 16]

MAGAZINE CONFISCATED--The June issue of ARABIA was banned and confiscated in Pakistan. The issue contained a six-page report on Pakistan's politics and economy. The report analysed the socio-economic situation in Pakistan since 1947 and concluded that the Islamic parties must try to rebuild grassroots strength in order to effect comprehensive and durable Islamic change. Meanwhile, in London Mrs Nusrat Bhutto (widow of the late Zulfikar Ali Bhutto, former prime minister of Pakistan) has refused to give an interview to ARABIA. In a telephone message one of Mrs Bhutto's relatives said: "She is indisposed and is not prepared to give an interview!" [Text] [East Burnham ARABIA The Islamic World Review in English Jun 83 p 18]

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